SCR 28

REQUESTING THE CONSUMER ADVOCATE TO ESTABLISH A WORK GROUP TO EXAMINE HAWAIIAN ELECTRIC UTILITIES' TARIFF RULE NO. 14H TO DEVELOP METHODS AND PROCEDURES TO FACILITATE THE INCREASE IN PHOTOVOLTAIC SYSTEMS AND NET ENERGY METERING IN THE STATE.

TESTIMONY OF HERMINA MORITA CHAIR, PUBLIC UTILITIES COMMISSION DEPARTMENT OF BUDGET AND FINANCE STATE OF HAWAII TO THE SENATE COMMITTEE ON ENERGY & ENVIRONMENT

FEBRUARY 28, 2013 2:45 p.m.

MEASURE: S.C.R. No. 28

TITLE: Requesting the Consumer Advocate to Establish a Work Group to Examine Hawaiian Electric Utilities' Tariff Rule No. 14H to Develop Methods and Procedures to Facilitate the Increase in Photovoltaic Systems and Net Energy Metering in the State

Chair Gabbard and Members of the Committee:

DESCRIPTION:

This resolution would request the Consumer Advocate "to establish a work group to examine Hawaiian Electric Utilities' Tariff Rule No. 14H to develop methods and procedures to facilitate the increase in photovoltaic systems and net energy metering in the State[.]" The proposed Tariff Rule N o. 1 4H ("Rule 14H") Work Group ("Work Group") in this measure would be comprised of the Consumer Advocate, the Director of the Department of Business, Economic Development, and Tourism, leadership of Hawaii's investor-owned electric utility companies, and representatives of several Hawaii-based photovoltaic ("PV") and renewable energy trade organizations. The focus of the Work Group's efforts would be to review technical, legal/regulatory, and operational barriers to increased integration of distributed generation for PV systems in Hawaii and to identify possible ways to increase the level of integration for PV systems.

POSITION:

The desired outcomes of this resolution's proposed Work Group mirror much of the work already being done in the Commission's ongoing proceedings. Therefore, the Commission feels this measure is unnecessary. However, the Commission would like to offer the following comments.

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COMMENTS:

The Commission approved modifications to Rule 14H in late 2011 as a result of a collaborative effort between the Hawaiian Electric Companies (HECO Companies"), the Consumer Advocate, PV stakeholders, and other clean energy advocacy groups. The more noteworthy changes from that effort included:

- A new, streamlined "Supplemental Review" mechanism being added to the overall interconnection process so that a proposed project would no longer automatically have to conduct an Interconnection Requirements Study ("IRS") if that project fails initial technical screening criteria, such as the "15% circuit penetration threshold."
- The allowance of Supplemental Reviews to be conducted by the utility at no charge to a project and to be completed within 20 business days.
- A change so that an IRS would not be required for inverter-based distributed generation ("DG") systems if the aggregate DG penetration is below 50% of the distribution circuit demand during a period when proposed generation is available (i.e., solar noon).

This revised approach to the integration of DG resources, including PV, puts Hawaii among the most progressive and accommodating jurisdictions for incorporating DG, along with states like California.¹

Through the Commission's docketed process, the Hawaii Reliability Standards Working Group (RS WG"), following a thorough review and analysis of the HECO Companies' system and operations, has just completed its work and has produced a number of work products, including recommendations on how to increase DG integration and maintain system reliability. The work products and recommendations are currently being compiled and will be formally submitted for the Commission's review by early March of this year.

¹California's Tariff Rule No. 21 – the California rule concerning the interconnection procedures and fees to investor-owned utilities – was amended in September of 2012 through a California Public Utilities Commission-approved settlement to improve the speed, cost-effectiveness, and general ease to applicants of the interconnection process affecting DG customers.

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In addition to the RSWG actions noted above, in October 2012, the HECO Companies modified their interconnection review process for small PV systems (10 kilowatts or smaller) to further reduce the need for interconnection studies. The new checkpoint before a possible interconnection study would be required was raised to 75% of minimum daytime electrical demand on a distribution circuit. The RSWG PV Subgroup has developed a number of recommendations to improve the interconnection of PV systems to the grid and the Commission expects that the HECO Companies will implement these recommendations, including making the appropriate tariff changes to Rule 14H.

The efforts of the RSWG, which included the HECO Companies, are part of a general move to reform and ease the burdens of the interconnection process for DG. The Commission is anticipating that the required follow-up work regarding the interconnection of PV systems will occur through the review of the RSWG recommendations, as well as in the course of related proceedings.

A significant amount of resources have been spent by the Commission, the Consumer Advocate, the State's electric utility companies, and numerous other stakeholders in working to improve Rule 14H procedures and in producing recommendations to safely increase the penetration of variable generation on the electric grid via the RSWG process. The Commission is concerned that the creation of an additional Work Group to examine the issues listed in S.C.R. No. 28 would be a duplication of the RSWG's already completed work.

Thank you for the opportunity to testify on this measure.



NEIL ABERCROMBIE GOVERNOR

SHAN S. TSUTSUI LT. GOVERNOR STATE OF HAWAII OFFICE OF THE DIRECTOR DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS

335 MERCHANT STREET, ROOM 310 P.O. Box 541 HONOLULU, HAWAII 96809 Phone Number: 586-2850 Fax Number: 586-2856 www.hawaii.gov/dcca KEALI'I S. LOPEZ DIRECTOR

JO ANN M. UCHIDA TAKEUCHI DEPUTY DIRECTOR

TO THE SENATE COMMITTEE ON ENERGY AND ENVIRONMENT

THE TWENTY-SEVENTH LEGISLATURE REGULAR SESSION OF 2013

THURSDAY, FEBRUARY 28, 2013 2:45 P.M.

TESTIMONY OF JEFFREY T. ONO, EXECUTIVE DIRECTOR, DIVISION OF CONSUMER ADVOCACY, DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS, TO THE HONORABLE MIKE GABBARD, CHAIR, AND MEMBERS OF THE COMMITTEE

SENATE CONCURRENT RESOLUTION NO. 28 – REQUESTING THE CONSUMER ADVOCATE TO ESTABLISH A WORK GROUP TO EXAMINE HAWAIIAN ELECTRIC UTILITIES' TARIFF RULE NO. 14H TO DEVELOP METHODS AND PROCEDURES TO FACILITATE THE INCREASE IN PHOTOVOLTAIC SYSTEMS AND NET ENERGY METERING IN THE STATE.

DESCRIPTION:

This resolution requests that the Consumer Advocate establish a work group with the objective of modifying the respective Rule 14H of the Hawaiian Electric Company, Inc. and its affiliates ("HECO Companies") to facilitate the increase in the number of photovoltaic systems and net energy metering ("NEM") in Hawaii.

POSITION:

The Division of Consumer Advocacy supports the intent of the proposed resolution but offers that the reliability standards working group process will directly address the apparent objective of this resolution.

Senate Concurrent Resolution No. 28 Senate Committee on Energy and Environment Thursday, February 28, 2013, 2:45 p.m. Page 2

COMMENTS:

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As this committee may already be aware, the Hawaii Public Utilities Commission opened Docket No. 2011-0206, which was a proceeding that sought to examine and develop reliability standards to address existing electric grid system constraints in order to facilitate the increased adoption of renewable energy. In fact, Docket No. 2011-0206 examined and considered all eight of the issues identified in SCR No. 28. Furthermore, the composition of the parties in Docket No. 2011-0206 included all of the proposed members of the work group that would be created as a result of SCR No. 28, and also included additional parties.

As part of the work that the Reliability Standards Working Group conducted, the group proposed specific revisions to Rule 14H (e.g., additional screens to allow a more expeditious review of the interconnection of photovoltaic system included in the California Public Utilities Commission Rule 21) and recommended opening a new proceeding, which included as part of the next steps, an assessment that these revisions do not increase the electricity bills for those Hawaii ratepayers who are not participating in such programs as NEM.

Thus, the Consumer Advocate anticipates that efforts to address the various issues identified in SCR No. 28 will be undertaken in the near future.¹

Thus, the Consumer Advocate recommends that this resolution be held as other parallel efforts will examine the concerns identified in SCR No. 28 and follow up will identify possible modifications to the HECO Companies' Rule 14H.

Thank you for this opportunity to testify.

In Docket No. 2010-0015, various parties participated in the process of examining and modifying Rule No. 14H for each of the HECO Companies. The results of those efforts are reflected in the Commission's Decision and Order, filed on November 29, 2011, and Decision and Order No. 30129, filed on December 20, 2011, in Docket No. 2010-0015.

NEIL ABERCROMBIE GOVERNOR

> RICHARD C. LIM DIRECTOR

MARY ALICE EVANS DEPUTY DIRECTOR

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM

No. 1 Capitol District Building, 250 South Hotel Street, 5th Floor, Honolulu, Hawaii 96813 Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804 Web site: www.hawaii.gov/dbedt Telephone: (808) 586-2355 Fax: (808) 586-2377

Statement of **RICHARD C. LIM Director** Department of Business, Economic Development, and Tourism before the **SENATE COMMITTEE ON ENERGY AND ENVIRONMENT**

> Thursday, February 28, 2013 2:45 p.m. State Capitol, Conference Room 225

> > in consideration of SCR 28

REQUESTING THE CONSUMER ADVOCATE TO ESTABLISH A WORK GROUP TO EXAMINE HAWAIIAN ELECTRIC UTILITIES' TARIFF RULE NO. 14H TO DEVELOP METHODS AND PROCEDURES TO FACILITATE THE INCREASE IN PHOTOVOLTAIC SYSTEMS AND NET ENERGY METERING IN THE STATE.

Chair Gabbard, Vice Chair Ruderman, and Members of the Committee.

The Department of Business, Economic Development & Tourism (DBEDT) supports the intent of SCR 28 that requests the Consumer Advocate to establish a work group to examine Tariff Rule 14H to establish methods and procedures to facilitate the increase in photovoltaic systems and net energy metering in the State.

DBEDT supports efforts to facilitate increased renewable energy generation to achieve Hawaii's aggressive clean energy goals and the objective of the State is to speed the process of expanding renewable penetration, while preserving reliability.

We believe the intent of this measure is already being served through the Reliability Standards Working Group (RSWG) at this time. This group was formed by the Hawaii Public Utilities Commission (PUC) under Docket 2011-0206 to find solutions to integrating high penetrations of renewable energy consistent with reliability and power quality standards, including integrating high penetration levels of solar photovoltaic (PV) systems. The work group members identified in SCR 28 are also participants in the RSWG. The RSWG recently made a recommendation that amendments are needed to Rule 14H and, consistent with the PUC's Order No. 30694 (at 3), which indicated that new dockets would be opened to consider RSWG work products on such issues, recommended that the PUC should initiate a new proceeding to consider and implement RSWG work products, including revisions to the interconnection screens in Rule 14H. Indeed, DBEDT has urged the identification and implementation of revised interconnection screens or other revisions that would immediately and reliably permit greater PV (and to the extent possible, other renewable resources) penetration into the Hawaiian Electric Companies' systems. The RSWG has been a good faith effort by the parties to help address reliability concerns, and modifications to 14H would help in that process. Therefore, while DBEDT strongly supports the goals of the Resolution, our concern is based on the potential for redundant processes.

DBEDT believes that while we are aggressively moving to expand renewable penetration, more can be done through cooperative and streamlined processes to work with citizens, the State, the PUC, the Legislature, and relevant stakeholders to achieve these objectives.

Thank you for the opportunity to offer these comments regarding SCR 28.



ALASKA CALIFORNIA FLORIDA MID-PACIFIC NORTHEAST NORTHERN ROCKIES NORTHWEST ROCKY MOUNTAIN WASHINGTON, DC INTERNATIONAL

SENATE COMMITTEE ON ENERGY AND ENVIRONMENT ATTN: CHAIR MIKE GABBARD & VICE-CHAIR RUSSELL E. RUDERMAN

TESTIMONY RE: SENATE CONCURRENT RESOLUTION NO. 28, REQUESTING THE CONSUMER ADVOCATE TO ESTABLISH A WORK GROUP TO EXAMINE HAWAIIAN ELECTRIC UTILITIES' TARIFF RULE NO. 14H TO DEVELOP METHODS AND PROCEDURES TO FACILITATE THE INCREASE IN PHOTOVOLTAIC SYSTEMS AND NET ENERGY METERING IN THE STATE

> February 28, 2013, 2:45 p.m. Conference Room 225

Aloha Chair Gabbard, Vice-Chair Ruderman, and Members of the Committee:

Earthjustice has worked extensively on facilitating the interconnection of distributed solar photovoltaic (PV) systems to the electric grid. We have first-hand familiarity with the background described in Senate Concurrent Resolution No. 28 (SCR 28), including the efforts before the Public Utilities Commission (PUC) to reform the Hawaiian Electric (HECO) utilities Tariff Rule No. 14H. While we recognize the problem of gridlock in interconnecting distributed PV, particularly on the neighbor islands, and the need for short- and longer-term action to enable greater penetration of renewables, we do <u>not</u> support SCR 28's proposal of a work group. In short, a multi-stakeholder working group that the PUC already convened, called the Reliability Standards Working Group (RSWG), has engaged in deliberations for over a year and produced recommendations specifically addressing distributed PV interconnection, including further improvements to Rule 14H. <u>Efforts should focus on ensuring the timely and effective implementation of these pending RSWG recommendations, rather than forming another working group</u>.

To facilitate discussion of this important issue, we offer revisions of SCR 28's introductory "Whereas" clauses. (See attached redlined text.) These include some clarification and correction of context, terminology, and details. They also include the addition of the recent developments of the RSWG. SCR 28 should be revised to reflect this more accurate and complete background.

As the proposed revisions explain, the RSWG recommendations to improve the distributed generation interconnection process include:

(1) further revisions to Tariff Rule No. 14H such as raising the penetration threshold to one-hundred percent of minimum load (roughly equivalent to thirty percent of peak) for circuits with 12-month data on minimum load, and providing for more realistic calculations of aggregate distributed generation and minimum load; (2) establishment of a comprehensive and transparent queue for all interconnection requests; and (3) implementation of a new "Proactive Approach" to distributed generation interconnection and planning, under which the utility will take the initiative to determine distribution system penetration capabilities and the upgrades necessary to increase them, with the goal of moving past the current arbitrary thresholds and resulting barriers and bottlenecks.

These recommendations highlight that the RSWG has already engaged in many of the issues SCR 28 raises for examination by a work group, and that the initiation of another working group process would not be the best use of the stakeholders' limited time and resources at this time.

The RSWG recommendations, of course, are a significant first step, but not the final results. They are pending before the PUC, and will require diligent and timely implementation by the HECO utilities. Based on the proposed revised "Whereas" language, the legislature may reach its own appropriate conclusions in the "Resolved" portion of SCR 28, but again, we strongly advise against forming another working group.

Thank you for this opportunity to testify. Please do not hesitate to contact me with any questions or for further information.

Mahalo nui,

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Isaac Moriwake Attorney Earthjustice

Attach: proposed "Whereas" clause revisions

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PROPOSED REVISIONS TO "WHEREAS" CLAUSES OF SCR 28

WHEREAS, in October 2008, the Governor, Department of Business, Economic Development, and Tourism, Division of Consumer Advocacy of the Department of Commerce and Consumer Protection, Hawaiian Electric Company, Hawaii Electric Light Company, and Maui Electric Company signed the Hawaii Clean Energy Agreement; and

WHEREAS, the energy agreement stated that the future of Hawaii requires the State to move decisively and irreversibly away from imported fossil fuel for electricity and transportation and toward locally produced renewable energy and an ethic of energy efficiency; and

WHEREAS, in order to reduce the demand for electricity and increase energy efficiency, a system of utility regulation is necessary to assure that Hawaii preserves a stable electric grid and a financially sound electric utility; and

WHEREAS, the energy agreement parties agreed that utility regulation must include that there should be no system-wide caps on net energy metering at any of the Hawaiian Electric utilities; and

WHEREAS, net energy metering is one way to lessen Hawaii's dependence on imported oil by encouraging greater use of eligible renewable energy sources like solar (photovoltaic), wind, biomass, or hydroelectric power for electrical generation by residential and commercial customers; and

WHEREAS, photovoltaic energy systems are renewable energy sources that capture sunlight through solar panels mounted on roof tops and convert the sun's energy into electricity; and

WHEREAS, all residential and commercial utility customers who own and operate an eligible renewable energy generation system, like a photovoltaic system, and intend to connect to a utility electric grid must register their systems with the utility by executing a net energy metering, or standard interconnection, or other agreement; and

WHEREAS, the net energy metering agreement allows customers to connect their photovoltaic systems to the utility electric. grid to export surplus electricity and provide customers credits that can be used to offset electricity purchases over a twelvemonth period; and

WHEREAS, the net energy metering agreement is necessary for safety reasons and in some cases, the electric utility company may require a technical review in order to ensure that installation of the photovoltaic system meets all safety requirements and that the system will not adversely impact the utility company's electric distribution system; and

WHEREAS, under the energy agreement, the parties agreed that distributed generation interconnection will be limited on a per-circuit basis where generation, including photovoltaic energy generation, feeding into the circuit be limited to no more than fifteen percent of peak circuit demand for all distribution-level circuits of twelve kilovolts or lower; and

WHEREAS, furthermore, for those circuits where interconnection requests, particularly for photovoltaic systems, approach or exceed the fifteen percent threshold, the electric utility will perform and complete an study on its own initiative interconnection supplemental review to determine whether the threshold can be increased; and

WHEREAS, in response to the energy agreement, the Hawaiian Electric utilities each filed an application with the Public Utilities Commission for approval to modify their respective company's Tariff Rule No. 14H - Interconnection of Distributed Generating Facilities Operating In Parallel With The Company's Electric System; and

WHEREAS, one of the amendments proposed increasing the percentage of peak annual kilovolt-ampere load into the electric griddistribution system from ten to fifteen percent; and

WHEREAS, this fifteen percent distributed generation penetration threshold would trigger an interconnection supplemental review; and

WHEREAS, additionally, this proposed amendment was consistent with the energy industry rule-of-thumb used to determine whether a proposed distributed generation <u>should</u> <u>trigger additional review of the potential will have any</u> impact associated with the interconnection; and

WHEREAS, lastly, the proposed amendment would raise the penetration threshold and thereby allow the Hawaiian Electric

utilities to accept more distributed renewable generation into a circuit before additional studies are required and in turn, encourage more renewable generation interconnections, like photovoltaic systems; and

WHEREAS, in May 2010, the Public Utilities Commission issued a Decision and Order approving the increase in the peak distributed generation penetration threshold to fifteen percent along with other amendments to Tariff Rule No. 14H; and

WHEREAS, in November 2011, the Public Utilities Commission issued a second Decision and Order approving additional amendments to Tariff Rule No. 14H, including streamlining the interconnection supplemental review process for utility customers who exceed the fifteen percent distributed generation penetration threshold, setting timeframes for the interconnection process, and establishing a supplemental review threshold of fifty percent of minimum load (which by the industry rule-of-thumb is roughly equivalent to fifteen percent of peak) to enable more customers to interconnect without a full requirements for a interconnection requirements study-if a project fails to meet initial technical screening criteria, such as the fifteen percent distributed generation penetration threshold; and

WHEREAS, the interest in and demand for household photovoltaic systems is growing in Hawaii, especially as oil prices and electricity rates have steadily increased in the past couple of years; and

WHEREAS, however, despite efforts by the State and the Hawaiian Electric utilities to facilitate more distributed renewable generation into the circuit as well as more renewable generation interconnections, interested customers in Hawaii are unable to install photovoltaic panels because their homes are located in areas that exceed the fifteen percent of peak and fifty percent of minimum distributed generation penetration threshold; and

WHEREAS, the fifteen percent distributed generation penetration threshold is criticized as being too conservative and an obstacle to producing renewable energy in order to decrease the State's dependence on imported fossil fuel for electricity; and

WHEREAS, furthermore, interconnection <u>studies</u> supplemental reviews as a result of exceeding the fifteen percent of peak and fifty percent of minimum penetration threshold are often timeconsuming, and expensive, and onerous because the customer is responsible for paying for these reviewstudies and does not know whether they will result in more costs or denial of interconnection; and

WHEREAS, thus, these reviews frequently create a situation in which the proposed net energy metering application for the installation of a photovoltaic system is withdrawn by the customer; and

WHEREAS, in June 2011, the Public Utilities Commission convened the Reliability Standards Working Group, consisting of utility, clean energy, and state government representatives, to address how to maximize interconnection of renewable generation while preserving grid reliability; and

WHEREAS, the Reliability Standards Working Group, through a lengthy and collaborative process, has developed and submitted to the Public Utilities Commission an array of recommendations, including recommendations for further improving and facilitating the distributed generation interconnection process, all of which are pending before the Commission; and

WHEREAS, these recommendations regarding distributed generation interconnection include: (1) further revisions to Tariff Rule No. 14H such as raising the penetration threshold to one-hundred percent of minimum load (roughly equivalent to thirty percent of peak) for circuits with 12-month data on minimum load, and providing for more realistic calculations of aggregate distributed generation and minimum load; (2) establishment of a comprehensive and transparent queue for all interconnection requests; and (3) implementation of a new "Proactive Approach" to distributed generation interconnection and planning, under which the utility will take the initiative to determine distribution system penetration capabilities and the upgrades necessary to increase them, with the goal of moving past the current arbitrary thresholds and resulting barriers and bottlenecks; and

WHEREAS, in light of the State and the Hawaiian Electric utilities agreeing that there should be no system-wide caps on net energy metering in the energy agreement and the State's efforts pursuant to section 196-41, Hawaii Revised Statutes, in achieving its renewable portfolio standards under section 269-92, Hawaii Revised Statutes, it is imperative that mechanisms are in place and processes are streamlined to enable the State to meet and maintain its renewable energy demands and portfolio standards while ensuring safety of the electric grid and fiscal responsibility; now, therefore,

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Hawaii Solar Energy Association Serving Hawaii Since 1977

Before the Senate Committee on Energy and the Environment Thursday, February 28, 2013, 2:45 p.m., Conference Room 225 SCR 28

Aloha Chair Gabbard, Vice-Chair Ruderman, and members of the Senate Committee on Energy and the Environment,

On behalf of the Hawaii Solar Energy Association (HSEA), I would like to testify **in support of SCR 28**, which requests that the Consumer Advocate establish a working group to examine the Hawaiian Electric Utilities' tariff rule14H to develop methods and procedures to facilitate the increase in photovoltaic systems and net energy metering in Hawaii.

Solar is Key to our Green Energy Future

As we all know, Hawaii is dangerously dependent upon imported fossil fuels, and the cost and uncertainty of fossil fuels will only increase. Recent reports have indicated that oil may reach \$180/barrel or more by 2020, and scientists have found that climate change has exacerbated global warming more than they believed, with recent data showing that the Antarctic is warming three times the previously predicted rate. Transforming our electrical grid to a green energy infrastructure will bring both added security and stability to our state's economy, and also contribute to an overall reduction of greenhouse gasses for everyone.

Solar installations slowed by connection study fees and circuit saturation

Despite recently relaxed standards for the photovoltaic systems under 10kw connecting to the grid, many home owners and small businesses are still thwarted in their bid to install PV due to saturated circuits. In addition, even when a circuit has not reached the 15% saturation point, the utility may require customers to conduct a study to determine how their system might impact their particular circuit. The study has a cost of \$3,000 and in some cases is required of customers who might be on the same circuit or even next door neighbors.

To move forward, we need to understand our real limits

In order to move forward in a meaningful way, we need to fully understand the limits of our grid, and design the most efficient mechanisms that will provide safe and reliable power while still allowing for utility customers to invest in green energy to the greatest degree possible. Many questions remain unanswered at this point, and it would be of great value to focus on the particulars of Rule 14H.

Thank you for the opportunity to testify.

Leslie Cole-Brooks Executive Director Hawaii Solar Energy Association

> P.O. Box 37070 Honolulu, Hawaii 96837 SOLAR HOTLINE (808)521-9085

TESTIMONY BEFORE THE SENATE COMMITTEE ON ENERGY AND ENVIRONMENT

S.C.R. No. 28

Requesting the Consumer Advocate to Establish a Work Group to Examine Hawaiian Electric Utilities' Tariff Rule No. 14H to Develop Methods and Procedures to Facilitate the Increase in PV Systems and NEM in the State.

Thursday, February 28, 2013 2:45 pm State Capitol, Conference Room 225

Carlos Perez Loriga Manager, Energy Solutions Hawaiian Electric Company, Inc.

Chair Gabbard, Vice Chair Ruderman, and Members of the Committee:

My name is Carlos Perez Loriga and I am testifying on behalf of Hawaiian Electric Company and its subsidiary utilities, Maui Electric Company, and Hawaii Electric Light Company.

SCR 28 requests the Consumer Advocate to establish a work group to examine Hawaiian Electric utilities' Tariff Rule No. 14H to develop methods and procedures to facilitate the increase in photovoltaic systems and net energy metering in the State.

The Companies support continued growth for customer-sited renewable energy generation and have a very successful Net Energy Metering program. However, the companies feel that this resolution is not necessary at this time as the Public Utilities Commission (PUC) and parties suggested in this resolution have already engaged in examining how to improve portions of Rule 14H through the Renewable Standards Working Group (RSWG) work in PUC Docket No. 2011-0206.

Thank you for the opportunity to testify.

<u>SCR28</u>

Submitted on: 2/21/2013 Testimony for ENE on Feb 28, 2013 14:45PM in Conference Room 225

| Submitted By | Organization | Testifier Position | Present at Hearing |
|-----------------------|--------------|--------------------|-----------------------|
| Javier Mendez-Alvarez | Individual | Support | No |

Comments: