

**HB1286, HD2**



**DEPARTMENT OF BUSINESS,  
ECONOMIC DEVELOPMENT & TOURISM**

DAVID Y. IGE  
GOVERNOR

LUIS P. SALAVERIA  
DIRECTOR

MARY ALICE EVANS  
DEPUTY DIRECTOR

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](http://www.hawaii.gov/dbedt)

Telephone: (808) 586-2355  
Fax: (808) 586-2377

Statement of  
**LUIS P. SALAVERIA**  
Director  
Department of Business, Economic Development, and Tourism  
before the  
**SENATE COMMITTEE ON ENERGY AND ENVIRONMENT  
AND  
SENATE COMMITTEE ON WATER AND LAND**

Friday, March 20, 2015  
2:45 p.m.  
State Capitol, Conference Room 224

in consideration of  
**HB 1286, HD2**  
**RELATING TO ENERGY.**

Chairs Gabbard and Thielen, Vice Chairs Green and Galuteria, and Members of the Committees.

The Department of Business, Economic Development & Tourism (DBEDT) respectfully offers comments on HB 1286, HD2, which provides for changes in the planning objectives for the State's facility systems with regard to energy.

DBEDT supports the intent of the legislation as well as the State's existing overall planning goals, and the objectives and policies for energy facility systems as set out in Chapter 226-18, Hawaii Revised Statutes. DBEDT reiterates the Administration's intent to achieve total energy independence for Hawaii and achieve a 100% renewable energy portfolio in the electricity sector and cost-effective conservation of energy as key components of the Hawaii Clean Energy Initiative framework.

DBEDT believes, however, that the existing energy planning objectives under the Hawaii Clean Energy Initiative provide sufficient direction to perform our role in planning and analysis, as well as, allowing for an optimal roadmap for the State's longer-term policy to be developed.

Thank you for the opportunity to offer these comments regarding HB 1286, HD2.



**Directors**

Jody Allione  
Project Development  
Consultant

Joe Boivin  
Hawaii Gas

Kelly King  
Pacific Biodiesel

Warren S. Bollmeier II  
WSB-Hawaii

TESTIMONY OF WARREN BOLLMEIER ON BEHALF OF THE  
HAWAII RENEWABLE ENERGY ALLIANCE BEFORE THE  
SENATE COMMITTEE ON ENERGY AND ENVIRONMENT AND  
WATER AND LAND

HB 1286 HD2, RELATING TO ENERGY

March 20, 2015

Chairs Gabbard and Thielen, Vice-Chairs Green and Galuteria and members of the Committees, I am Warren Bollmeier, testifying on behalf of the Hawaii Renewable Energy Alliance (“HREA”). HREA is an industry-based, nonprofit corporation in Hawaii established in 1995. Our 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 our goals is to support appropriate policy changes in state and local government, the Public Utilities Commission and the electric utilities to encourage increased use of renewables in Hawaii.

The purpose of HB 1286 HD2 is to amend the State’s objectives and policies relating to energy facility systems, including a policy of ensuring that fossil fuels such as liquefied natural gas be used only as a transitional, limited-term replacement of petroleum for electricity generation and not impede the development and use of renewable energy sources.

HREA **supports** this measure, and recommends that the committee pass it out.

Mahalo for this opportunity to testify.



**Hawaii Solar Energy Association**  
*Serving Hawaii Since 1977*

Before the Senate Committees on Water and Land and Energy and Environment  
Friday, March 20, 2015, 2:45 p.m., Room 224  
HB 1286 HD 2: Relating to Energy

Aloha Chairs Thielen and Gabbard, Vice Chairs Galuteria and Green, and members of the Committees,

On behalf of the Hawaii Solar Energy Association (HSEA), I would like to testify in support for HB 1286 HD 2 which amends the State's energy objectives and policies to include: 1) a utility model which puts the social and financial interests of Hawaii's ratepayers first; 2) increased energy efficiency and decreased energy use in public infrastructure; and 3) specific guidelines which ensure that fossil fuels such as liquefied natural gas be used only as a transitional, limited-term replacement for electricity generation and does not impede the development and use of renewable energy resources.

HSEA is a non-profit trade organization that has been advocating for solar energy since 1977, with an emphasis on both solar hot water (SHW) and residential and small commercial distributed generation (PV). We currently represent 90 member companies, which employ thousands of local employees working in the solar industry. With 37 years of advocacy behind us, HSEA's goal is to work for a sustainable energy future for all of Hawaii.

HSEA understands that the issue pertaining to energy generation will be a regulatory question before the PUC. As such, HSEA believes that the legislature can help guide the PUC's decisions by updating our energy objectives and policies to make clear that our goal is to achieve increased energy independence and reduce our dependence upon fossil fuels. We have heard much about the transition to LNG with many assurances that LNG will only serve as a "bridge fuel." However, considerable funds would be needed to update our infrastructure to use LNG, and planning documents currently before the PUC do not show any end to the "bridge" of LNG.<sup>1</sup> The use of LNG, if at all, may serve as a bridge fuel, but it should not be allowed to simply replace the current fossil fuel dependence. We therefore respectfully ask that the legislature make clear our continued commitment to reduce our dependence upon fossil fuels no matter what the source.

Thank you for the opportunity to testify

Leslie Cole-Brooks  
Executive Director  
Hawaii Solar Energy Association

---

<sup>1</sup> For example, please see Docket No. 2011-0206, Power Supply Improvement Plan, dated August 26, 2014, p. ES-5 which shows significant dependence upon LNG through 2030 and beyond.

**Testimony before the  
Senate Committee on Energy & Environment and the  
Senate Committee on Water & Land**

**By Todd Kanja  
Manager, LNG Enterprise Solutions  
Hawaiian Electric Company, Inc.**

**Friday, March 20, 2015  
2:45 pm, Conference Room 224**

**House Bill 1286, HD 2 - Relating to Energy**

Chairs Gabbard & Thielen,, Vice Chairs Green & Galuteria, and Members of the Committees:

My name is Todd Kanja and I am testifying on behalf of Hawaiian Electric Company, Inc. and its subsidiaries, Hawai'i Electric Light Company, Inc. and Maui Electric Company, Ltd.

HB 1286, HD 2 proposes to amend Hawai'i Revised Statutes ("HRS") §226-18 to add or revise various State objectives and policies relating to energy facility systems. While we appreciate and support the intent of this bill, we have some concerns with the bill as it is currently written, and therefore request that the following changes be made. With these revisions, we would be able to support the bill.

First, the bill seeks to amend the objective set forth in HRS §226-18(a)(2) to add the following clause: "elimination of Hawaii's dependence on imported fuels for electrical generation and ground transportation." While we support the reduction of Hawaii's dependence on imported fuels for electrical generation, as written, this amendment does not give the State's planners the ability to take into account the financial and economic impact that a complete "elimination" would have on our customers and community. We therefore propose to revise the language of the bill beginning on page 1, line 11, to read: "through the reduction of Hawaii's dependence on imported fuels for electrical generation and ground transportation." This revision would also make the language consistent with other sections of HRS §226-18(a).

Second, the bill seeks to add a new subsection, HRS §226-18(a)(5), to state "Utility models that place the social and financial interests of Hawaii's ratepayers first." While we support the intent of this addition, the terms "social and financial interests" are not defined, thereby making it difficult to interpret this ultimate priority. We propose to revise this subsection, beginning on page 2, line 3, to

read as follows: “Utility models that **make** the social and financial interests of Hawaii’s **utility customers a priority.**”

Finally, the bill seeks to add a new subsection, HRS §226-18(c)(11), that would make it the policy of the State to “Ensure that fossil fuels such as liquefied natural gas be used only as a transitional, limited-term replacement of petroleum for electricity generation and do not impede the development and use of renewable energy sources”. This new subsection, however, does not make cost a clear priority when seeking “renewable energy sources”. In addition, the terms “fossil fuels” and “petroleum” are not defined in this Chapter as they are in other sections of the HRS. Accordingly, without a definition, the terms are often used synonymously with one another, making this statement unclear. We suggest revising the language of the bill beginning on page 4, line 11 to read: “Ensure that natural gas be used as a **cost-effective** transitional **fuel** for electricity generation **until other cost-effective** renewable energy sources **can be developed for the benefit of all customers.**”

Thank you for the opportunity to testify on this matter.

**From:** [mailinglist@capitol.hawaii.gov](mailto:mailinglist@capitol.hawaii.gov)  
**To:** [ENETestimony](#)  
**Cc:** [carl.campagna@kamakagreen.com](mailto:carl.campagna@kamakagreen.com)  
**Subject:** \*Submitted testimony for HB1286 on Mar 20, 2015 14:45PM\*  
**Date:** Thursday, March 19, 2015 11:36:37 AM

---

**HB1286**

Submitted on: 3/19/2015

Testimony for ENE/WTL on Mar 20, 2015 14:45PM in Conference Room 224

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Carl Campagna	Individual	Support	No

Comments:

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email [webmaster@capitol.hawaii.gov](mailto:webmaster@capitol.hawaii.gov)

**From:** [mailinglist@capitol.hawaii.gov](mailto:mailinglist@capitol.hawaii.gov)  
**To:** [ENETestimony](#)  
**Cc:** [antonchris10@gmail.com](mailto:antonchris10@gmail.com)  
**Subject:** \*Submitted testimony for HB1286 on Mar 20, 2015 14:45PM\*  
**Date:** Thursday, March 19, 2015 1:04:59 PM

---

**HB1286**

Submitted on: 3/19/2015

Testimony for ENE/WTL on Mar 20, 2015 14:45PM in Conference Room 224

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Chris Anton	Individual	Oppose	No

Comments:

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email [webmaster@capitol.hawaii.gov](mailto:webmaster@capitol.hawaii.gov)

**From:** [mailinglist@capitol.hawaii.gov](mailto:mailinglist@capitol.hawaii.gov)  
**To:** [ENETestimony](#)  
**Cc:** [jamesjtz@aol.com](mailto:jamesjtz@aol.com)  
**Subject:** Submitted testimony for HB1286 on Mar 20, 2015 14:45PM  
**Date:** Wednesday, March 18, 2015 6:54:32 PM

---

**HB1286**

Submitted on: 3/18/2015

Testimony for ENE/WTL on Mar 20, 2015 14:45PM in Conference Room 224

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
James Gauer	Individual	Comments Only	No

Comments: This kind of amending to the state's energy objective is vital to balancing supply and demand of energy sources. looking back we can see why we need these changes now according to scientific research, natural crises, and testimony of those affected by the imbalance of energy and work.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email [webmaster@capitol.hawaii.gov](mailto:webmaster@capitol.hawaii.gov)

**From:** [mailinglist@capitol.hawaii.gov](mailto:mailinglist@capitol.hawaii.gov)  
**To:** [ENETestimony](#)  
**Cc:** [mendezj@hawaii.edu](mailto:mendezj@hawaii.edu)  
**Subject:** \*Submitted testimony for HB1286 on Mar 20, 2015 14:45PM\*  
**Date:** Tuesday, March 17, 2015 3:52:58 PM

---

**HB1286**

Submitted on: 3/17/2015

Testimony for ENE/WTL on Mar 20, 2015 14:45PM in Conference Room 224

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Javier Mendez-Alvarez	Individual	Support	No

Comments:

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email [webmaster@capitol.hawaii.gov](mailto:webmaster@capitol.hawaii.gov)

**From:** [mailinglist@capitol.hawaii.gov](mailto:mailinglist@capitol.hawaii.gov)  
**To:** [ENETestimony](#)  
**Cc:** [susanlarson78@gmx.com](mailto:susanlarson78@gmx.com)  
**Subject:** \*Submitted testimony for HB1286 on Mar 20, 2015 14:45PM\*  
**Date:** Tuesday, March 17, 2015 12:26:09 PM

---

**HB1286**

Submitted on: 3/17/2015

Testimony for ENE/WTL on Mar 20, 2015 14:45PM in Conference Room 224

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Susan Larson	Individual	Oppose	No

Comments:

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email [webmaster@capitol.hawaii.gov](mailto:webmaster@capitol.hawaii.gov)

**From:** [mailinglist@capitol.hawaii.gov](mailto:mailinglist@capitol.hawaii.gov)  
**To:** [ENETestimony](#)  
**Cc:** [thorneabbott@yahoo.com](mailto:thorneabbott@yahoo.com)  
**Subject:** \*Submitted testimony for HB1286 on Mar 20, 2015 14:45PM\*  
**Date:** Tuesday, March 17, 2015 9:48:48 PM

---

**HB1286**

Submitted on: 3/17/2015

Testimony for ENE/WTL on Mar 20, 2015 14:45PM in Conference Room 224

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Thorne Abbott	Individual	Support	No

Comments:

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email [webmaster@capitol.hawaii.gov](mailto:webmaster@capitol.hawaii.gov)