# TESTIMONY OF RANDY IWASE CHAIR, PUBLIC UTILITIES COMMISSION STATE OF HAWAII TO THE HOUSE COMMITTEE ON ENERGY AND ENVIRONMENTAL PROTECTION

February 17, 2015 8:30 a.m.

MEASURE:H.B. No. 1393TITLE:Relating to Energy.

Chair Lee, Vice Chair Lowen, and Members of the Committee:

### **DESCRIPTION:**

This measure expands the definition of "eligible customer-generator" for net energy metering ("NEM") participants to include any "renewable energy generation and distribution device".

### **POSITION:**

The Public Utilities Commission ("Commission") offers the following comments for the Committee's consideration.

### COMMENTS:

The Commission notes that under the proposed measure it is unclear what technologies would be eligible for the NEM program. More importantly, it is unclear what technologies would be excluded from eligibility for the NEM program. This lack of clarity greatly expands the scope and potential impact of the NEM program, including the potential for any cross-subsidies.

Thank you for the opportunity to testify on this measure.

#### Testimony before the House Committee on Energy and Environmental Protection

Tuesday, February 17, 2015, 8:30 a.m. Conference Room 325

H.B. No. 1393 – Relating to Energy

By Carlos Perez Loriga Manager, Customer Solutions Department Hawaiian Electric Company

#### Chair Lee, Vice Chair Lowen and Members of the Committee:

My name is Carlos Perez Loriga. I am Manager of Customer Solutions Department at the Hawaiian Electric Company. I am testifying on behalf of Hawaiian Electric Company and its subsidiary utilities, Maui Electric Company and Hawaii Electric Light Company (collectively "Companies").

House Bill No. 1393 ("HB 1393") proposes to expand the types of energy generation and distribution devices that could make certain electric utility customers eligible for net energy metering ("NEM").

The Companies <u>strongly oppose</u> HB 1393 as the proposed definition of "renewable energy generation and distribution device" is extremely broad and non-specific in nature and does not ensure that such devices would generate "renewable energy" as defined in Hawaii's Renewable Portfolio Standards ("RPS"), HRS Chapter 269, Part V. Therefore, such generation would potentially not count towards meeting Hawaii's RPS goals.

Furthermore, expanding the definition of "Eligible customer-generator" could have the unintended consequence of allowing experimental or unproven technologies onto the grid which could adversely impact circuit or system reliability and safety. This is contrary to the intent of the NEM program which was to accelerate the integration of proven technologies such as solar, wind turbine, biomass and hydroelectric generation.

The Companies also respectfully assert that this issue should be studied and evaluated in a comprehensive fashion by the Public Utilities Commission as part of Docket No. 2014-0192 (Instituting a Proceeding to Investigate Distributed Energy Resource Policies) giving full consideration to the technical, economic, and regulatory policy issues associated with renewable energy programs available to customers. We respectfully request that this bill be held. Thank you for the opportunity to testify.

# lowen2-Thomas

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### <u>HB1393</u>

Submitted on: 2/13/2015 Testimony for EEP on Feb 17, 2015 08:30AM in Conference Room 325

| Submitted By       | Organization | <b>Testifier Position</b> | Present at Hearing |
|--------------------|--------------|---------------------------|--------------------|
| Robert Freitas Jr. | Individual   | Support                   | No                 |

Comments: I support this bill!!!

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.

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| To:            | EEPtestimony  |      |  |
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#### <u>HB1393</u>

Submitted on: 2/16/2015 Testimony for EEP on Feb 17, 2015 08:30AM in Conference Room 325

| Submitted By | Organization | <b>Testifier Position</b> | Present at Hearing |
|--------------|--------------|---------------------------|--------------------|
| Ruston Utu   | Individual   | Support                   | No                 |

Comments: I Support this measure because it would expand the types of renewable energy generation and distribution devices allowed in our State. By passing this measure it may allow emerging technology such as the Bionic Leaf developed by Daniel Nocera at Harvard University.

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.

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