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

February 5, 2015 8:30 a.m.

MEASURE:H.B. No. 619TITLE:Relating to the Merger, Acquisition, and Consolidation of Electric Utilities

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

DESCRIPTION:

This measure proposes to amend Section 269-19, Hawaii Revised Statutes, to require the Public Utilities Commission ("Commission") to apply certain standards and criteria when evaluating applications for certain transactions brought forth by electric utilities. This measure would also require that a special public hearing and intervention process be used for such transactions.

POSITION:

The Commission offers the following comments for the Committee's consideration.

COMMENTS:

The Commission notes that broad statutory principles, such as those articulated in Section 2, subsections (b)(1) and (2), can be helpful in providing policy guidance to the Commission as it evaluates applications for the merger and consolidation of major public utilities. The Commission also agrees that interested parties should be afforded a reasonable opportunity to be heard in applications for the merger and consolidation of major public utilities.

The Commission raises a concern if this measure is to be applied retroactively to dockets presently before the Commission. Such retroactive application may raise legal questions and concerns.

H.B. No. 619 Page 2

Finally, the Commission notes that the proposed requirements for intervention may be inconsistent with Commission administrative rules. Selection of intervenors outside of Commission administrative rules and without other guidelines may raise other legal questions and concerns.

Thank you for the opportunity to testify on this measure.



DAVID Y. IGE 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

TO THE HOUSE COMMITTEE ON ENERGY & ENVIRONMENTAL PROTECTION

THE TWENTY-EIGHTH LEGISLATURE REGULAR SESSION OF 2015

THURSDAY, FEBRUARY 5, 2015 8:30 a.m.

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

HOUSE BILL NO. 619 - RELATING TO THE MERGER, ACQUISITION, AND CONSOLIDATION OF ELECTRIC UTILITIES

DESCRIPTION:

This measure proposes to require the Public Utilities Commission ("PUC") to apply certain standards and criteria and hold a public hearing to determine whether to approve a merger, acquisition, or consolidation of an electric utility.

POSITION:

The Division of Consumer Advocacy offers the following comments to this bill.

COMMENTS:

The Consumer Advocate appreciates the Legislature's concern over the pending NextEra/Hawaiian Electric merger application. Any bill that attempts to define "public interest" and "fit, willing, and able" to establish a standard of review by which the PUC is to analyze mergers and acquisitions should be broad enough to apply to all regulated utility mergers and should not be focused solely on one particular merger.

CATHERINE P. AWAKUNI COLÓN DIRECTOR

JO ANN M. UCHIDA TAKEUCHI DEPUTY DIRECTOR Even if the Legislature decides to carve out a separate category for electric utility mergers, the Consumer Advocate questions whether the provisions of this bill would place an undue burden on much smaller electric utility mergers and acquisitions. For example, if the coalition on Hawaii Island attempts to acquire Hawaii Electric Light Co., do we expect the same level of review for that hypothetical acquisition as we would for the NextEra/Hawaiian Electric merger? Or, what if the island of Molokai sought to purchase the Molokai assets of Maui Electric Co.? Should the PUC allow liberal intervention by interested parties that could slow down the process and add to the transaction costs for a relatively small utility?

The Consumer Advocate is of the opinion that the PUC needs to have the flexibility and discretion in determining the appropriate level of analysis for each particular merger or acquisition that comes before it. Any legislation that attempts to modify the PUC's flexibility and discretion should be approached cautiously to avoid unintended consequences.

proposed The Consumer Advocate questions the need for the section 269-19(b)(5), Hawaii Revised Statutes ("HRS"), that relieves the PUC from compliance with the statutory deadlines in HRS § 269-16(d), which provides for a nine month deadline in rate cases. There appears to be no applicability of HRS § 269-16 to mergers and acquisitions. Furthermore, in previous merger dockets, the PUC has not imposed the nine month deadline for rate cases on any merger application. Therefore, the proposed HRS § 269-19(b)(5) appears to be unnecessary.

Thank you for this opportunity to testify.

From:	mailinglist@capitol.hawaii.gov
Sent:	Wednesday, February 04, 2015 4:43 AM
То:	EEPtestimony
Cc:	friendsoflanai@gmail.com
Subject:	Submitted testimony for HB619 on Feb 5, 2015 08:30AM

<u>HB619</u>

Submitted on: 2/4/2015 Testimony for EEP on Feb 5, 2015 08:30AM in Conference Room 325

Submitted By	Organization	Testifier Position	Present at Hearing	
Friends of Lana?i	friends of Lana?i	Support	No	

Comments: We support this bill but request that these additional provisions be included under evaluation of the application: (F) Cultural Impacts; (G) Environmental Impacts; and (H) Public Trust Resources.

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.

From:	mailinglist@capitol.hawaii.gov
Sent:	Wednesday, February 04, 2015 8:19 AM
То:	EEPtestimony
Cc:	leslie.cole-brooks@hsea.org
Subject:	*Submitted testimony for HB619 on Feb 5, 2015 08:30AM*

<u>HB619</u>

Submitted on: 2/4/2015 Testimony for EEP on Feb 5, 2015 08:30AM in Conference Room 325

Submitted By	Organization	Testifier Position	Present at Hearing
Leslie Cole-Brooks	Hawaii Solar Energy Association	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.

From:	mailinglist@capitol.hawaii.gov
Sent:	Wednesday, February 04, 2015 3:42 AM
To:	EEPtestimony
Cc:	nimo1767@gmail.com
Subject:	Submitted testimony for HB619 on Feb 5, 2015 08:30AM

<u>HB619</u>

Submitted on: 2/4/2015 Testimony for EEP on Feb 5, 2015 08:30AM in Conference Room 325

	Submitted By	Organization	Testifier Position	Present at Hearing
Γ	Robert Petricci	Puna Pono Alliance	Support	No

Comments: EEP rm325 2/5/15 8:30am Rep. Chris Lee, Chair Rep. Nicole E. Lowen, Vice Chair Re:HB619 Representing Puna Pono Alliance SUPPORT WITH AMENDMENTS RELATING TO THE MERGER, ACQUISITION, AND CONSOLIDATION OF ELECTRIC UTILITIES. PPA joins the belief the bill has several really good parts. Currently there is no state law that requires the Public Utilities Commission to hold a public hearing regarding the proposed NextEra takeover of HECO. This bill requires the Applicant to attend three public hearings in each service territory. The bill requires the PUC to liberally construe any applicable standard of intervention for interested persons. Currently the PUC must determine if the acquirer is fit, willing, and able and whether the deal is in the public interest. Neither are spelled out in law so this bill defines what the PUC must looked at. What is missing is that the public interest provisions do not include environmental concerns, cultural considerations and public trust resources. Therefore sections F, G and H listed below should be added to the bill. In its evaluation of the application, the commission shall: Consider the impact of the proposed transaction upon the following elements of the public interest: (A) Affordability of electric service; (B) Safety and reliability of electric servi ce; (C) Access to onsite generation and other options for customers to manage their energy usage; (D) Achievement of clean energy goals and related public policy objectives articulated by the State and the commission; and (E)Economic benefits to Hawaii, including employment and industries in the State; (F) Cultural Impacts; (G) Environmental Impacts; and (H) Public Trust Resources. Mahalo Robert Petricci Representing Puna Pono Alliancce

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.



TESTIMONY OF ERIC S. GLEASON, NEXTERA ENERGY COMMITTEE ON ENERGY AND ENVIRONMENTAL PROTECTION FEBRUARY 5, 2015, 8:30 AM

HOUSE BILL 619 - RELATING TO THE MERGER, ACQUISITION AND CONSOLIDATION, OF ELECTRIC UTILITIES

DESCRIPTION:

This measure proposes to require the Hawaii Public Utilities Commission (PUC or Commission) to apply certain standards and criteria and hold a public hearing to determine whether to approve a merger, acquisition, or consolidation of an electric utility.

POSITION:

NextEra Energy respectfully opposes H.B. No. 619 and offers the following comments.

COMMENTS:

NextEra Energy shares Hawaiian Electric's vision of increasing renewable energy, modernizing its grid, reducing Hawaii's dependence on imported oil, integrating more rooftop solar energy and, importantly, lowering customer bills. We are excited by the opportunity to strengthen and accelerate the Hawaiian Electric Companies' (Hawaiian Electric, Maui Electric and Hawaii Electric Light) clean energy transformation and believe customers will benefit substantially from the combined company. We understand the importance of this transaction to the State of Hawaii and its residents, and welcome a robust review to determine if the proposed combination is in the public interest. Governor David Ige has expressed confidence that the PUC and the State Consumer Advocate will review the proposed combination in its entirety and fully examine all the details, and NextEra Energy is supportive of this thorough review. However, we believe that this legislation is unnecessary in light of the Commission's existing statutory authority to review and determine whether a proposed merger is reasonable and in the public interest.

1

Hawaii law (HRS Chapter 269) already provides the PUC with full authority and discretion to determine whether any utility merger, acquisition or consolidation of any Hawaii utility is reasonable and in the public interest. We strongly believe there is no need for a new law specific to solely electric utility mergers, acquisitions or consolidations. H.B. No. 619 attempts to address broad technical, economic and social issues based on a defined set of principles, standards or elements to evaluate a proposed merger, acquisition, or consolidation of an electric utility that are too limiting and overly prescriptive.

If enacted by the Legislature, this measure may result in unintended consequences adverse to the public interest by unduly limiting and restricting the Commission in how it can address these issues. Many of the principles, standards or elements listed in this measure may become inapplicable and/or outdated over time due to, among other things, changes in technologies, policies, etc. The Commission must have adequate regulatory flexibility to balance and address these types of issues as it deems necessary at any given time (i.e., now and in the future) to ensure that the subject transaction is reasonable and in the public interest.

NextEra Energy and the Hawaiian Electric Companies welcome comments on the proposed merger and are happy and willing to work with the Legislature and the Commission to facilitate the opportunity for comment.

RECOMMENDATION:

For the reasons indicated above, NextEra Energy respectfully requests that this measure be held, as we believe it is not needed, and if implemented, will have a detrimental effect on Hawaii's clean energy transformation.

While NextEra Energy opposes H.B. No. 619, we do understand the importance of giving the public the opportunity to engage with us about our proposed combination. Therefore, NextEra Energy is committed to jointly coordinate with the Hawaiian Electric

2

Companies to hold informational meetings on the islands of Oahu, Maui County and Hawaii about the proposed combination, and obtaining community input and feedback concerning the proposed combination.

Thank you for the opportunity to testify.

Testimony before the House Committee on Energy and Environmental Protection

By Alan M. Oshima President and Chief Executive Officer Hawaiian Electric Industries

February 5, 2015

House Bill 619 Relating to the Merger, Acquisition and Consolidation of Electric Utilities

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

My name is Alan Oshima and I am testifying on behalf of the Hawaiian Electric Company and its subsidiaries, Hawaii Electric Light Company and Maui Electric Company, in opposition of HB 619.

In the summer of 2014, Hawaiian Electric set in motion a companywide transformation effort that will change the way we do business and, even more important, deliver the value and results our customers want. Our goals are among the most ambitious in the nation, including increasing our renewable energy portfolio to 65 percent, tripling distributed solar, and lowering customer bills 20 percent by 2030. As you know, on December 3, 2014, Hawaiian Electric Industries announced that it will combine with NextEra Energy, the nation's leading clean energy company. NextEra Energy is committed to Hawaiian Electric's vision of increasing renewable energy, modernizing its grid, reducing Hawaii's dependence on imported oil, integrating more rooftop solar energy and, importantly, lowering customer bills.

On January 29, 2015, Hawaiian Electric and NextEra Energy filed a joint application with the Public Utilities Commission (PUC) requesting approval of the proposed merger. The filing describes the companies' commitments to Hawaiian Electric's communities, employees and customers for enhancing service reliability, continuing community and charitable support, continuing to locally manage Hawaiian Electric's utilities from their existing operating locations, delivering savings and value for customers, and strengthening and accelerating a cleaner energy future. Highlights of the application include a commitment to not file a request

with the PUC for a general base rate increase for at least four years post-transaction close and approximately \$60 million in quantified customer savings, both subject to approval of certain conditions.

We welcome a thorough review of the proposed merger and we look forward to the opportunity to share with the PUC and Consumer Advocate how, together, our companies will help Hawaii achieve its vision of a more affordable clean energy future. However, the PUC already has well-established authority to review this proposed merger and it should have reasonable discretion to decide how to conduct its review under the circumstances particular to a given application. HB 619 unduly constrains that discretion.

HRS § 269-19 gives the PUC broad authority to review mergers involving Hawaii utilities. In addition HRS § 269-7(a) gives the PUC the authority to examine, among other things, the condition of a public utility, the manner in which it is operated with reference to the safety or accommodation of the public, the utility's business relations with other persons, companies, or corporations, and all matters affecting the relations and transactions between the utility and the public or person or corporations. Thus, the PUC already has the authority to examine all transactions that affect or may affect the public served by the utility. Generally, as a result of its review, the PUC will make a determination whether (1) the acquiring utility is fit, willing, and able to perform the service currently offered by the utility to be acquired, and (2) the acquisition is reasonable and in the public interest.

The answers to these questions are necessarily dependent on the particular facts and circumstances of each proposed merger. The issues that should be evaluated with respect to these questions should not be prescribed for every case. Dictating a multitude of specific factors to be considered could result in inefficient management and progression of the docket, which is counter to public policy. Within the established broad parameters of issues to resolve (i.e., whether the merger would be in the public interest and whether the postmerger utility will be fit, willing and able to serve), the PUC should retain discretion to decide the most efficient and effective manner in which to manage the docket. This includes deciding the sub-issues to explore and deciding whether participation by interveners will meaningfully aid evaluation of issues in the docket.

2

We also share the legislature's view of the need to obtain public input on the proposed merger. The PUC has received public comment in similar transactions in the past, including the sale of Kauai Electric and Verizon. The Commission should retain the discretion to determine how best to do so now and in the future, again, based on the particular circumstances involved.

In addition, the Hawaiian Electric companies and NextEra Energy are committed to holding other informational meetings on the islands of Oahu, Maui, Molokai, Lanai and Hawaii for the purpose of obtaining public input and sharing with customers on how this merger will benefit Hawaii. In light of the Commission's existing statutory authority to review and determine whether a proposed merger is reasonable and in the public interest, combined with our willingness to obtain public input through the PUC approval process as well as through our public informational meetings, we believe that this legislation is unnecessary.

Finally, we note that the timeline prescribed in HRS 269-16(d) applies to rate case applications, not merger approval applications.

For the reasons stated above, we respectfully oppose this legislation. Thank you for the opportunity to testify on this matter.



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 HOUSE COMMITTEE ON ENERGY AND ENVIRONMENTAL PROTECTION

HB 619, Relating to the Merger, Acquisition, and Consolidation of Electric Utilities

February 5, 2015

Chair Lee, Vice-Chair Lowen and members of the Committee 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 619 is to require the PUC to apply certain standards and criteria and hold a public hearing to determine whether to approve a merger, acquisition, or consolidation of an electric utility.

HREA **strongly supports** this measure and offers the following comments for the Committee's consideration:

- <u>Goals or Mandates</u>. In HREA's view, goals are "aspirational" whereas "Mandates" are requirements. Since we believe our clean energy "goals" are largely mandated, we recommend the phrase "clean energy goals" in the measure be amended to "clean energy mandates, goals," which occurs on p.3, I:17 and p.4; I:7.
- <u>Utility Services</u>. Reference p.3 and 5, HREA recommends that the following phrase be added to the end of the sentence on line 10 (p.3), and after the word "offered" on line 3 (p.5):

"or as amended by the commission."

Note: the rationale for this amendment is as follows: Upon review of any application for "merger, acquisition, and consolidation of electric utilities, the Commission may find it appropriate to amend the terms and conditions of the utility service to be provided.

Mahalo for this opportunity to testify



COMMITTEE ON ENERGY & ENVIRONMENTAL PROTECTION Rep. Chris Lee, Chair Rep. Nicole E. Lowen, Vice Chair

DATE: Thursday, February 05, 2015TIME: 8:30 a.m.PLACE: Conference Room 325

Re: HB 619 Relating to the Merger, Acquisition, and Consolidation of Electric Utilities

SUPPORT WITH AMENDMENTS

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

Life of the Land is Hawai`i's own energy, environmental and community action group advocating for the people and `aina for 45 years. Our mission is to preserve and protect the life of the land through sound energy and land use policies and to promote open government through research, education, advocacy and, when necessary, litigation.

The bill rectifies weaknesses in current state law. It requires public hearings for mega-mergers, requires the PUC to "liberally construe any applicable standard of intervention for interested persons, defines "fit, willing and able" and defines "public interest."

The one weakness in the bill is that it does not go far enough in defining the public interest. The concept of "public interest" changes and evolves over time.

The Public Utilities Commission issued Procedural Order No. 19397 on May 31, 2002, setting forth the procedures, issues, and schedule governing Kauai Island Utility Cooperative (KIUC) proposed buying of the Kauai Electric Division (KED) of **Citizens Utilities Company** (since renamed **Frontier Communications)**.

On September 17, 2002 the Commission issued Decision and Order No. 19658.

"Standard of Review ...before the commission approves any acquisition of a public utility subject to the commission's jurisdiction under HRS § 269-19, we must find that (1) the acquiring utility is fit, willing, and able to perform the service currently offered by the utility to be acquired, and (2) the acquisition is reasonable and in the **public interest**."

The Hawaii Supreme Court issued its landmark Waiahole water decision in 2000.¹ "Adequate provision shall be made for the protection of traditional and customary Hawaiian rights, the protection and procreation of fish and wildlife, the maintenance of proper ecological balance and scenic beauty, and the preservation and enhancement of waters of the State for municipal uses, public recreation, public water supply, agriculture, and navigation. Such objectives are declared to be in the **public interest**."

The bill specifies specific public interest elements which must be examined. These include affordability, safety, reliability, access to onsite generation, energy options for customers, achieving state goals and public policy objects re clean energy and economic benefits.

¹ In the Matter of the Water Use Permit Applications, Petitions for Interim Instream Flow Standard Amendments, and Petitions for Water Reservations for the Waihole Ditch Combined Contested Case Hearing. No. 21309, AUGUST 22, 2000. <u>http://www.state.hi.us/jud/21309op.htm</u>

Three other elements of the public trust must be added to the list: minimizing the cultural footprint, minimizing the environmental footprint and protection of public trust resources.

Mahalo,

Henry Curtis Executive Director



HOUSE COMMITTEE ON ENERGY & ENVIRONMENTAL PROTECTION

February 5, 2015, (*Testimony is 2 pages long*)

TESTIMONY IN SUPPORT OF HB 619

Aloha Chair Lee and Members of the Committee:

The Alliance for Solar Choice (TASC) supports HB 619, relating to the merger process for electric utilities. TASC advocates for maintaining successful distributed solar energy policies and markets throughout the United States. Collectively, TASC members serve a majority of the solar customers in Hawaii.

It is important to note this bill does not significantly change existing Public Utility Commission ("Commission") authority or precedent, but rather it clarifies the Commission's preexisting authority regarding mergers, acquisitions or consolidations. Specifically, this act requires the Commission to conduct a thorough examination to determine (1) whether such a transaction is reasonable and in the public interest, and (2) whether the successor utility is fit, willing and able to perform the service currently offered by the existing jurisdictional utility.¹ In addition, the act memorializes in statute Commission precedent, such as the capacity to impose conditions, and ensures the Commission's actions are not vulnerable to legal challenge.²

¹ HRS §§ 269-7, 269-7.5, 269-17.5, and 269-19.

See In re Kauai Island Utility Co-Op, Docket No. 02-0060, Decision and Order No. 19658 (September 17, 2002), at 6, 14-15; In re Paradise Mergersub, Inc., Docket No. 04-0140, Decision and Order No. 21696 (March 16, 2005), at 12-16; In re The Gas Company. LLC, Docket No. 05-0242, Decision and Order No. 22449 (May 3, 2006), at 20-23; In re New Access Communications, LLC, Docket No. 05-0004, Decision and Order No. 21786 (April 29, 2005), at 4; In re Hawaii-American Water Company. Inc., Docket No. 02-0041, Decision and Order No. 19304 (April 17, 2002), at 3; In re Ionex Telecommunications, Inc., Docket No. 99-0223, Decision and Order No. 17369 (November 8, 1999), at 3-4; and In re Maunalua Associates, Inc., et al., Docket No. 97-0339, Decision and Order No. 16175 (January 27, 1998).

Moreover, the act addresses procedural issues crucial to ensuring public participation, such as requiring the Commission to hold public hearings and allow for the participation of parties from a broad cross section of stakeholders in the State.

Public Interest:

In order for a takeover to proceed, an entity must establish the acquisition is in the "public interest." This measure smartly clarifies that the critical element of the public interest include unique attributes of the Hawaii electric system, the changing customer-utility relationship in the State, the State's clean energy goals, and the job and economic growth associated with the State's nascent and established industries.

Second, in determining whether the successor utility is fit, willing and able to perform the service currently offered by the existing jurisdictional utility, the Commission should consider the fitness, willingness and ability of such utility to implement the clean energy goals and related public policy objectives articulated by the State and the Commission.

Third, upon an application for a proposed transaction under this act, the Commission should review the language of the utility franchise at issue, if any, to determine whether the language of the franchise should be revised in light of the public interest at the time of the proposed transaction and to recommend to the legislature to make any necessary revisions.

Public Participation:

Public participation is essential to safeguard the public interest when the Commission considers an acquisition request. For this reason, the act requires public hearings to be held to ensure the participation of those residents of Hawaii affected by the proposed transaction. The act also requires the Commission to liberally construe any applicable standards of intervention in any Commission proceeding involving the approval of a proposed transaction to ensure the participation of a diverse group of stakeholders, thereby illuminating the potentially broad impacts of the proposed merger, acquisition, or consolidation on Hawaii, its economy, and its citizens.

Thank you for the opportunity to submit this testimony.

From:	mailinglist@capitol.hawaii.gov
Sent:	Tuesday, February 03, 2015 1:46 PM
То:	EEPtestimony
Cc:	testimony@coffeeofkona.com
Subject:	Submitted testimony for HB619 on Feb 5, 2015 08:30AM

<u>HB619</u>

Submitted on: 2/3/2015 Testimony for EEP on Feb 5, 2015 08:30AM in Conference Room 325

Submitted By	Organization	Testifier Position	Present at Hearing
Suzanne Shriner	Individual	Oppose	No

Comments: Please block the approval of this merger. It is not good for Hawaii residents. Thank you.

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.

From:	mailinglist@capitol.hawaii.gov
Sent:	Tuesday, February 03, 2015 3:49 AM
To:	EEPtestimony
Cc:	shannonkona@gmail.com
Subject:	Submitted testimony for HB619 on Feb 5, 2015 08:30AM

<u>HB619</u>

Submitted on: 2/3/2015 Testimony for EEP on Feb 5, 2015 08:30AM in Conference Room 325

Submitted By	Organization	Testifier Position	Present at Hearing
Shannon Rudolph	Individual	Support	No

Comments: Strongly Support.

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.

From:	mailinglist@capitol.hawaii.gov
Sent:	Tuesday, February 03, 2015 7:02 PM
То:	EEPtestimony
Cc:	bill@puna.us
Subject:	Submitted testimony for HB619 on Feb 5, 2015 08:30AM

<u>HB619</u>

Submitted on: 2/3/2015 Testimony for EEP on Feb 5, 2015 08:30AM in Conference Room 325

Submitted By	Organization	Testifier Position	Present at Hearing	
Bill Smith	Individual	Support	No	

Comments: Resistance is *not* futile!

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.

From:	mailinglist@capitol.hawaii.gov
Sent:	Tuesday, February 03, 2015 8:25 PM
To:	EEPtestimony
Cc:	mauibrad@hotmail.com
Subject:	*Submitted testimony for HB619 on Feb 5, 2015 08:30AM*

<u>HB619</u>

Submitted on: 2/3/2015 Testimony for EEP on Feb 5, 2015 08:30AM in Conference Room 325

Submitted By	Organization	Testifier Position	Present at Hearing	
Brad Parsons	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.

From:	mailinglist@capitol.hawaii.gov
Sent:	Wednesday, February 04, 2015 9:36 AM
То:	EEPtestimony
Cc:	carolynblake@mac.com
Subject:	Submitted testimony for HB619 on Feb 5, 2015 08:30AM

<u>HB619</u>

Submitted on: 2/4/2015 Testimony for EEP on Feb 5, 2015 08:30AM in Conference Room 325

Submitted By	Organization	Testifier Position	Present at Hearing
Carolyn Ornellas	Individual	Support	No

Comments: I support the passage of HB 619 WITH amendments.

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.

From:	mailinglist@capitol.hawaii.gov
Sent:	Tuesday, February 03, 2015 7:29 PM
To:	EEPtestimony
Cc:	djp@kona.net
Subject:	Submitted testimony for HB619 on Feb 5, 2015 08:30AM

<u>HB619</u>

Submitted on: 2/3/2015 Testimony for EEP on Feb 5, 2015 08:30AM in Conference Room 325

Submitted By	Organization	Testifier Position	Present at Hearing	
Doug Phillips	Individual	Support	No	

Comments: Please pass with amendments

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.

From:	mailinglist@capitol.hawaii.gov
Sent:	Wednesday, February 04, 2015 8:41 AM
To:	EEPtestimony
Cc:	joan@joanlevy.com
Subject:	Submitted testimony for HB619 on Feb 5, 2015 08:30AM

<u>HB619</u>

Submitted on: 2/4/2015 Testimony for EEP on Feb 5, 2015 08:30AM in Conference Room 325

Submitted By	Organization	Testifier Position	Present at Hearing	
joan Levy	Individual	Support	No	

Comments: Sections f, g, and h add to the merits of this bill. I think it is most unfortunate that extensive cultural and environmental impact studies are not required before such mergers are even considered. But at least here with this bill that consideration is being given.

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.

From:	mailinglist@capitol.hawaii.gov
Sent:	Wednesday, February 04, 2015 3:52 AM
То:	EEPtestimony
Cc:	molokaifun@gmail.com
Subject:	*Submitted testimony for HB619 on Feb 5, 2015 08:30AM*

<u>HB619</u>

Submitted on: 2/4/2015 Testimony for EEP on Feb 5, 2015 08:30AM in Conference Room 325

Submitted By	Organization	Testifier Position	Present at Hearing
julie stewart	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.

From:	mailinglist@capitol.hawaii.gov
Sent:	Wednesday, February 04, 2015 8:09 AM
To:	EEPtestimony
Cc:	mrjamma@aol.com
Subject:	Submitted testimony for HB619 on Feb 5, 2015 08:30AM

<u>HB619</u>

Submitted on: 2/4/2015 Testimony for EEP on Feb 5, 2015 08:30AM in Conference Room 325

Submitted By	Organization	Testifier Position	Present at Hearing
mark jones	Individual	Comments Only	No

Comments: How can some individual walk away with 10 million dollars from a public utility? Are they charging their customers to much money, I believe that we do pay to much for electricity as this same company owns a bank and a shipping company. I believe the money should be given back as rebates

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.

From:	mailinglist@capitol.hawaii.gov
Sent:	Wednesday, February 04, 2015 10:23 AM
То:	EEPtestimony
Cc:	redahi@hawaii.rr.com
Subject:	Submitted testimony for HB619 on Feb 5, 2015 08:30AM

<u>HB619</u>

Submitted on: 2/4/2015 Testimony for EEP on Feb 5, 2015 08:30AM in Conference Room 325

Submitted By	Organization	Testifier Position	Present at Hearing
B.A. McClintock	Individual	Support	No

Comments: Support with amendments: In its evaluation of the application, the commission shall: (1) Consider the impact of the proposed transaction upon the following elements of the public interest: (A) Affordability of electric service; (B) Safety and reliability of electric service; (C) Access to onsite generation and other options for customers to manage their energy usage; (D) Achievement of clean energy goals and related public policy objectives articulated by the State and the commission; and (E) Economic benefits to Hawaii, including employment and industries in the State; (F) Cultural Impacts; (G) Environmental Impacts; and (H) Public Trust Resources

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.

From:	mailinglist@capitol.hawaii.gov
Sent:	Wednesday, February 04, 2015 4:45 AM
То:	EEPtestimony
Cc:	rkayelny@gmail.com
Subject:	Submitted testimony for HB619 on Feb 5, 2015 08:30AM

<u>HB619</u>

Submitted on: 2/4/2015 Testimony for EEP on Feb 5, 2015 08:30AM in Conference Room 325

Submitted By	Organization	Testifier Position	Present at Hearing
Robin Kaye	Individual	Support	No

Comments: I support this bill but request that the following criteria be added to the evaluation procedure: (F) Cultural Impacts; (G) Environmental Impacts; and (H) Public Trust Resources.

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.

From:	mailinglist@capitol.hawaii.gov
Sent:	Wednesday, February 04, 2015 7:15 AM
То:	EEPtestimony
Cc:	skaye@runbox.com
Subject:	*Submitted testimony for HB619 on Feb 5, 2015 08:30AM*

<u>HB619</u>

Submitted on: 2/4/2015 Testimony for EEP on Feb 5, 2015 08:30AM in Conference Room 325

Submitted By	Organization	Testifier Position	Present at Hearing
sally kaye	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.

From:	mailinglist@capitol.hawaii.gov
Sent:	Tuesday, February 03, 2015 8:45 PM
To:	EEPtestimony
Cc:	slwsurfing@yahoo.com
Subject:	Submitted testimony for HB619 on Feb 5, 2015 08:30AM

<u>HB619</u>

Submitted on: 2/3/2015 Testimony for EEP on Feb 5, 2015 08:30AM in Conference Room 325

Submitted By	Organization	Testifier Position	Present at Hearing
sharon	Individual	Support	No

Comments: From Hawai'i Island - FREE energy is available! Anti- gravity known since 1954. Let's stop raping our Mother Earth. Solar and wind for now...

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.

From:	mailinglist@capitol.hawaii.gov
Sent:	Tuesday, February 03, 2015 11:30 PM
То:	EEPtestimony
Cc:	teresa.parsons@hawaii.edu
Subject:	Submitted testimony for HB619 on Feb 5, 2015 08:30AM

<u>HB619</u>

Submitted on: 2/3/2015 Testimony for EEP on Feb 5, 2015 08:30AM in Conference Room 325

Submitted By	Organization	Testifier Position	Present at Hearing
Teresa Parsons	Individual	Support	No

Comments: I support transparency in dealing with Public Utilities, therfore I support this legislative action.

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.

HB 619

House Committee on Energy and Environmental Protection February 5, 2015, 8:30 A.M. Room 325

Testimony in support of HB 619

Chair Lee and members of the Energy and Environmental Protection Committee:

My name is Kevin Yolken, and I am a law student conducting independent research within the renewable energy industry. I write in support of HB 619, relating to the merger, acquisition, and consolidation of electric utilities.

Without question, the future direction of energy policy in our State is an extremely important issue that has implications extending to individual citizens, businesses, and overall economic success throughout the State. Financially speaking, Hawai'i is one of the most difficult places to find security, with energy prices being a significant contributing factor to the high cost of living and operating expenses. As the State and the PUC work with the utility in the aggressive pursuit of alternative options to our fossil fuel based energy supply, it is necessary to not only allow, but to mandate oversight of important matters related to the public interest in the electric utility.

HB 619 will provide a positive outcome for all residents and businesses of Hawai'i, granting the committee the ability to closely examine any proposed acquisition of the utility and its assets, and ensuring that all activity is in the interest of the public. Hawai'i is undergoing a complete overhaul of its energy structure, and a transition of such scale deserves public input, transparency of involved parties and their intentions, and an established list of considerations to be carefully examined by the PUC.

In maintaining the intention of the bill, which is to facilitate and protect public interest in any proposed merger, acquisition, or consolidation of the State's electric utility, as well as to determine whether the successor utility is fit, <u>I would propose</u>

an amendment adding additional language that specifies intentions to reasonably protect land conservation efforts with the expansion of utility scale renewable energy projects. In the coming decades Hawai'i will undoubtedly be expanding utility scale renewable generation, and I believe it is important to consider the State's unique position given the cultural background and significance of much of our limited space. In examining any proposed transaction, the commission should consider potential impacts from the development of renewable energy projects. In particular the placement of wind turbines, which require large amounts of land, and any intention of projects such as an undersea cable to exploit development on O'ahu's neighboring islands.

The current proposed impacts to be considered in §269-19 (1) include the following:

- Affordability
- Safety and reliability
- Access to onsite generation and customer managed energy usage
- Achievement of clean energy goals and public policy objectives
- Economic benefits

I hope the committee recognizes the importance of this bill, and the benefits that it will provide towards the security of the public interest.

Mahalo for the opportunity to testify

To Whom It May Concern:

On behalf of my family here on Molokai, I am testifying in support of HB619. With the highest electricity rates in the nation, second only to Lanai, our community needs every opportunity to weigh in on the proposed utility buyout.

While this out-of-state company has made grand promises to lower rates, there is no solid plan detailing how they will get this done. No one in good faith should allow a buyout of this scale without business and operational plan that has been scrutinized by lawmakers and the public.

Please empower the PUC to do its job: to scrutinize these large-scale utility providers in order to safeguard the public interest.

Now is the time to pressure this in-coming company by holding them to the highest standards – our people deserve this, and their livelihoods depend on it.

Sincerely, Todd Yamashita Feb 4, 2015

From:	mailinglist@capitol.hawaii.gov
Sent:	Wednesday, February 04, 2015 11:55 AM
To:	EEPtestimony
Cc:	sairam2@hawaiiantel.net
Subject:	Submitted testimony for HB619 on Feb 5, 2015 08:30AM

<u>HB619</u>

Submitted on: 2/4/2015 Testimony for EEP on Feb 5, 2015 08:30AM in Conference Room 325

Submitted By	Organization	Testifier Position	Present at Hearing	
Geoffrey Lasr	Individual	Comments Only	No	

Comments: This bill is a step in the right direction but it need to be amended to be a good bill The public and the environment need to be protected. Culture of the native Hawaiians need to be respected of course our beautiful environment needs stated protection no loop hole writing. finally public trusts should benefit from corporate profits. Make this a good and stong 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.

From:	mailinglist@capitol.hawaii.gov
Sent:	Wednesday, February 04, 2015 11:16 AM
То:	EEPtestimony
Cc:	flowergitha@yahoo.com
Subject:	Submitted testimony for HB619 on Feb 5, 2015 08:30AM

<u>HB619</u>

Submitted on: 2/4/2015 Testimony for EEP on Feb 5, 2015 08:30AM in Conference Room 325

Submitted By	Organization	Testifier Position	Present at Hearing
James Hedgecock	Individual	Comments Only	No

Comments: I support this bill with the following sections added:sections F, G and H listed below should be added to the bill. In its evaluation of the application, the commission shall: (1) Consider the impact of the proposed transaction upon the following elements of the public interest: (A) Affordability of electric service; (B) Safety and reliability of electric service; (C) Access to onsite generation and other options for customers to manage their energy usage; (D) Achievement of clean energy goals and related public policy objectives articulated by the State and the commission; and (E) Economic benefits to Hawaii, including employment and industries in the State; (F) Cultural Impacts; (G) Environmental Impacts; and (H) Public Trust Resources

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.

From:	mailinglist@capitol.hawaii.gov
Sent:	Wednesday, February 04, 2015 1:04 PM
To:	EEPtestimony
Cc:	jtt.hew@gmail.com
Subject:	Submitted testimony for HB619 on Feb 5, 2015 08:30AM

<u>HB619</u>

Submitted on: 2/4/2015 Testimony for EEP on Feb 5, 2015 08:30AM in Conference Room 325

Submitted By	Organization	Testifier Position	Present at Hearing
Janeel Hew	Individual	Support	No

Comments: SUPPORT WITH AMENDMENTS for HB 619 RELATING TO THE MERGER, ACQUISITION, AND CONSOLIDATION OF ELECTRIC UTILITIES. The bill has several really good parts. Currently there is no state law that requires the Public Utilities Commission to hold a public hearing regarding the proposed NextEra takeover of HECO. This bill requires the Applicant to attend three public hearings in each service territory. The bill requires the PUC to liberally construe any applicable standard of intervention for interested persons. Currently the PUC must determine if the acquirer is "fit, willing, and able" and whether the deal is in the "public interest." Neither are spelled out in law so this bill defines what the PUC must looked at. What is missing is that the public interest provisions do not include environmental concerns, cultural considerations and public trust resources. Therefore sections F, G and H listed below should be added to the bill. In its evaluation of the application, the commission shall: (1) Consider the impact of the proposed transaction upon the following elements of the public interest: (A) Affordability of electric service; (B) Safety and reliability of electric service; (C) Access to onsite generation and other options for customers to manage their energy usage; (D) Achievement of clean energy goals and related public policy objectives articulated by the State and the commission; and (E) Economic benefits to Hawaii, including employment and industries in the State; (F) Cultural Impacts; (G) Environmental Impacts; and (H) Public Trust Resources

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.

From:	mailinglist@capitol.hawaii.gov
Sent:	Wednesday, February 04, 2015 5:34 PM
To:	EEPtestimony
Cc:	ahuntemer@aol.com
Subject:	Submitted testimony for HB619 on Feb 5, 2015 08:30AM

<u>HB619</u>

Late

Submitted on: 2/4/2015 Testimony for EEP on Feb 5, 2015 08:30AM in Conference Room 325

Submitted By	Organization	Testifier Position	Present at Hearing
Angela Huntemer	Individual	Support	No

Comments: Chair, Vice Chair and Committee Members. I strongly support the passage of HB619 requiring the PUC to apply certain standards and criteria and hold a public hearing to determine whether to approve a merger, acquisition, or consolidation of an electric utility. HECCO has a lot of flaws that need to be address but allowing this takeover by a mainland company is not a wise move at all. The issue need to be reviewed and Hawaii jobs kept in Hawaii. Local people need to have control over the direction that power generation and distribution takes in our state. Nextera don't have a good record on the carbon footprint of their footprint. Mahalo for your support!

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.

From:	mailinglist@capitol.hawaii.gov
Sent:	Wednesday, February 04, 2015 4:28 PM
To:	EEPtestimony
Cc:	bondma@cs.com
Subject:	Submitted testimony for HB619 on Feb 5, 2015 08:30AM

<u>HB619</u>

Late

Submitted on: 2/4/2015 Testimony for EEP on Feb 5, 2015 08:30AM in Conference Room 325

Submitted By	Organization	Testifier Position	Present at Hearing	
Michael Bond	Individual	Comments Only	No	

Comments: Please pass HB 619 with amendments. Next Era is a very unprincipled entity accustomed to buying politicians and screwing ratepayers. We the people of Hawaii need to be able to decide if this merger should be approved.

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.

From:	mailinglist@capitol.hawaii.gov
Sent:	Thursday, February 05, 2015 9:52 AM
То:	EEPtestimony
Cc:	kokomol@netscape.net
Subject:	*Submitted testimony for HB619 on Feb 5, 2015 08:30AM*

Late

<u>HB619</u>

Submitted on: 2/5/2015 Testimony for EEP on Feb 5, 2015 08:30AM in Conference Room 325

Submitted By	Organization	Testifier Position	Present at Hearing
Lorraine Borsum	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.

From:	mailinglist@capitol.hawaii.gov
Sent:	Wednesday, February 04, 2015 3:49 PM
То:	EEPtestimony
Cc:	peggy@bondcarr.com
Subject:	Submitted testimony for HB619 on Feb 5, 2015 08:30AM

<u>HB619</u>

Late

Submitted on: 2/4/2015 Testimony for EEP on Feb 5, 2015 08:30AM in Conference Room 325

Submitted By	Organization	Testifier Position	Present at Hearing
Peggy Lucas	Individual	Support	No

Comments: It the right of every utility subscriber to have a say in how their public utility is operated. Please approve this bill. Mahalo

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.

From:	mailinglist@capitol.hawaii.gov
Sent:	Wednesday, February 04, 2015 10:54 PM
To:	EEPtestimony
Cc:	jbrhawaii1@aol.com
Subject:	Submitted testimony for HB619 on Feb 5, 2015 08:30AM
Attachments:	Lila G.docx

Late

<u>HB619</u>

Submitted on: 2/4/2015 Testimony for EEP on Feb 5, 2015 08:30AM in Conference Room 325

Submitted By	Organization	Testifier Position	Present at Hearing
Lila Rattner	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.

From:	mailinglist@capitol.hawaii.gov
Sent:	Wednesday, February 04, 2015 6:55 PM
To:	EEPtestimony
Cc:	danhieux@yahoo.com
Subject:	Submitted testimony for HB619 on Feb 5, 2015 08:30AM

<u>HB619</u>

Late

Submitted on: 2/4/2015 Testimony for EEP on Feb 5, 2015 08:30AM in Conference Room 325

Submitted By	Organization	Testifier Position	Present at Hearing
Robert Douglas	Individual	Oppose	No

Support

Comments: The citizens of Hawaii is being obfuscated by the merger. It's not that we need guarantees against rates hikes but rather double digit rate reductions as well as preserving grid tie as it stands and investigations into HECO's stonewalling of PV permits. We have been ignored and pillaged for decades and need our voices heard now.

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.

From:	mailinglist@capitol.hawaii.gov
Sent:	Wednesday, February 04, 2015 5:18 PM
To:	EEPtestimony
Cc:	roy8820@yahoo.com
Subject:	Submitted testimony for HB619 on Feb 5, 2015 08:30AM

<u>HB619</u>

Late

Submitted on: 2/4/2015 Testimony for EEP on Feb 5, 2015 08:30AM in Conference Room 325

Submitted By	Organization	Testifier Position	Present at Hearing	
Roy Skaggs	Individual	Support	No	

Comments: Aloha, I strongly support HB619. The takeover of Hawaiian Electric is one of the biggest decisions in the State of Hawaii. The public needs to have a voice in this decision. Public hearings are necessary. I support requiring the PUC to consider the public interest as it considers mergers or takeovers. Utilities operate in Hawaii to serve the public. Any utility acting in Hawaii needs to prove it will act in the public interest now and going forward. The generation of electricity is critical to our economy and quality of life. Let's make sure we get the decision about who operates Hawaii's grid right. Mahalo, Roy Skaggs

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.

From:	mailinglist@capitol.hawaii.gov
Sent:	Thursday, February 05, 2015 4:22 AM
To:	EEPtestimony
Cc:	anthuriumz@hotmail.com
Subject:	Submitted testimony for HB619 on Feb 5, 2015 08:30AM

Late

<u>HB619</u>

Submitted on: 2/5/2015 Testimony for EEP on Feb 5, 2015 08:30AM in Conference Room 325

Submitted By	Organization	Testifier Position	Present at Hearing
wynnie hee	Individual	Support	No

Comments: YES, please pass this bill. We the public would like to be able to have hearings, not just the chair of the PUC or the few PUC commissioners to make the HUGE decision about NextEra absorbing HEI.

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.