From:	mailinglist@capitol.hawaii.gov
To:	ENETestimony
Cc:	juggler@aloha.net
Subject:	*Submitted testimony for SB715 on Feb 3, 2015 14:45PM*
Date:	Tuesday, February 03, 2015 10:53:16 AM

## <u>SB715</u>

Submitted on: 2/3/2015 Testimony for ENE on Feb 3, 2015 14:45PM in Conference Room 225

Submitted By	Organization	Testifier Position	Present at Hearing
Graham Ellis	Individual	Support	No

Comments:

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From:	Noel Kent
To:	ENETestimony
Subject:	Senate Bill 715
Date:	Tuesday, February 03, 2015 10:58:02 AM

It is imperative that Hawai'i achieve energy self-sufficiency as soon as possible. The bill boosting Renewable Portfolio Standards to 70% will help us to accomplish this goal. Please support this enlightened piece of legislation. Noel Kent Professor UH Manoa





## SENATE COMMITTEE ON ENERGY AND ENVIRONMENT

February 3, 2015, 2:45 P.M., Room 225 (Testimony is 2 pages long)

## **SUPPLEMENTAL TESTIMONY IN STRONG SUPPORT OF SB 715**

Chair Gabbard and members of the Energy and Environment Committee:

This testimony supplements the previously submitted testimony of Blue Planet Foundation, in strong support of the SB 715.

Blue Planet notes that the 2040 date for 100% clean energy adopted in the bill is a quarter century away. A 2040 target is not overly aggressive. It is based on data filed with the PUC.

The bill should not be amended to relax the vision to a date beyond 2040, for at least three reasons. If anything, the bill should be amended to target 100% clean energy by 2030.

First, we note that the trend established by the HECO Companies' energy plans filed in 2014, if continued beyond 2030, would achieve 100% by the 2035/2040 timeframe. This is reflected in the data chart included in Blue Planet's original testimony:



info@blueplanetfoundation.org 55 Merchant Street 17<sup>th</sup> Floor • Honolulu, Hawai'l 96813 • 808-954-6142 • blueplanetfoundation.org Second, we note that the HECO Companies' "preferred plan" would achieve approximately 65%-70% clean energy by 2030. However, their analysis also included a scenario of **100% clean energy by 2030**. The requirements for generation under the HECO Companies' analysis included reliability and other factors. The forecasted cost of achieving 100% by 2030 was 0 to 5 cents more per kWh than the comparable current cost of energy. With efficiency, this would likely translate into lower total monthly energy bills for consumers. An image from the HECO Companies' PUC filing (page 8, October 10, 2014, Docket No. 2014-0183) is included here:



Third, we note that the PUC will retain oversight to waive or extend the RPS targets. Under existing law, the PUC is also required to periodically evaluate the achievability and benefits of the targets. If moving beyond the HECO Companies' current plan (approximately 65% to 70% clean energy by 2030) to the targets in SB 715 (70% by 2035, 100% by 2040) is deemed not to be achievable, the PUC can address that issue. Rather than relaxing targets that are more than a quarter century away, SB 715 will allow the PUC to address achievability as technology and other factors evolve in the coming decades.

Thank you for the opportunity to testify.



Lance N. Tanaka Director, Government & Public Affairs

## **TESTIMONY OPPOSING SENATE BILL 715, RELATING TO RENEWABLE STANDARDS**

Senate Committee on Energy & Environment The Honorable Mike Gabbard, Chair The Honorable Josh Green, Vice Chair Tuesday, February 3, 2015 – 2:45 p.m. State Capitol, Room 225

Chair Gabbard, Vice Chair Green and members of the Committee,

Thank you for this opportunity to testify in opposition to Senate Bill 715, Relating to Renewable Standards. My name is Lance Tanaka, director of government and public affairs for Hawaii Independent Energy, LLC ("HIE"). HIE is a subsidiary of Par Petroleum Corporation and operates the state's largest petroleum refinery located in Kapolei, Hawaii.

The overarching purpose of this bill is to upgrade and extend Hawaii's clean energy initiative and renewable portfolio standards, by setting a goal of 100 percent renewable electricity generation by 2040. In doing so, SB 715 would require electrical generation units – defined as large self-generator units producing 500 kilowatts of electricity or more – to conform to the same renewable standards as electricity generated by electric utilities.

The co-generation unit that is used to generate power at the Hawaii Independent Energy refinery is included in the scope of this bill. The refinery co-generation unit is an essential tool that not only supplies power, it also enables HIE to balance its refining operation with regard to varying supplies of jet fuel, diesel, naphtha and other byproducts. The byproducts are used interchangeably as fuel to run the co-gen unit. Switching to a fixed fuel in order to comply with the renewable portfolio standards is not an option.

Being regulated by renewable portfolio standards will mean a change in fuel basis for HIE, which we should not be forced to do. This would result in economic hardship in that we would be required to import a different fuel and forced to export products that we would typically use to fuel the co-gen.

Furthermore, the current RPS requires that the amount of renewable electric sales increase from 10 percent to 40 percent over 20 years. The bill's requirement that electrical sales from renewable sources be raised another 60 percent (from 40 to 100 percent) in just under 10 years is not realistic. There should be a clear cost criteria established to ensure what constitutes maintaining customer affordability. For example, the cost of power generated from renewable fuels and facilities should not exceed twice that which is incurred by traditional fuel oil or coal burning power plants. A study is needed to determine the costs of such a renewable program

Lance N. Tanaka, Hawaii Independent Energy, LLC Testimony in Opposition to Senate Bill 717, Relating to Renewable Standards Senate Committee on Energy & Environment Tuesday, February 03, 2015 – State Capitol, Room 225 Page 2

and cost criteria under which such additional renewable power sources would be justified before embracing this measure.

Therefore, HIE respectfully opposes Senate Bill 715, Relating to Renewable Standards. Thank you for allowing me to testify on this measure.

Kome

From:	<u>H Ho</u>
To:	ENETestimony; EEPtestimony
Subject:	House Bill 623, Senate Bill 715.
Date:	Tuesday, February 03, 2015 1:16:13 PM

I support HB 623 and SB 715. Please pass and get Hawaii on 100% renewable energy.

Heidi Ho 3785 Old Pali Rd Honolulu, HI 96817 Aloha nô;

I strongly support SB 715 and HB 623, calling for 100% clean energy by 2040. We need Hawaiian energy independence! Right now, state law targets a mere 40% by 2030. That's not good enough. I don't want the risk of having most of my energy coming from fossil fuels that come at the whim and fiat of the Islamic terrorism-supporting nations of OPEC or from Cold War throwbacks such as Putin's Russia. Hawai'i DOESN'T NEED them! We can support ALL our energy needs without non-US-produced fossil fuels. Please pass these bills that will set Hawaii on a path toward 100% clean energy that is local and sustainable.

A hui hou kakou, JAMES R. CABEZOLA

From:	Judy Mick
To:	ENETestimony
Subject:	SB 715
Date:	Tuesday, February 03, 2015 3:20:30 PM

Aloha - It is time for Hawaii under your leadership to become energy independent. It is an attainable goal worth working towards. We need 100% clean energy and it can be local, sustainable, and cost effective. Please pass this bill as we think of our children's and our grandchildren's future. Mahalo and aloha, Judy Mick, Kailua