H.R. NO. <sup>43</sup><sub>H.D. 1</sub>

## HOUSE RESOLUTION

REQUESTING THE PUBLIC UTILITIES COMMISSION TO CONSIDER EFFORTS TO MITIGATE HIGH ENERGY BURDENS FOR LOW- AND MODERATE-INCOME CUSTOMERS AND INPUT BY THE CONSUMER ADVOCATE AND INVESTIGATE HOW TO INTEGRATE CONSIDERATIONS OF ENERGY EQUITY AND JUSTICE ACROSS ITS WORK.

WHEREAS, many households in Hawaii have difficulty paying 1 energy bills and suffer energy insecurity, in which they are 2 faced with difficult choices, such as whether to sacrifice food 3 4 or medicine to be able to pay for energy; and 5 WHEREAS, the Department of Business, Economic Development, 6 and Tourism found that "household electricity burden - the 7 percentage of household income spent on electricity bills - is 8 9 one of the key elements contributing to a household's energy insecurity, especially for low-income households"; and 10 11 WHEREAS, consequently, households with lower incomes are 12 faced with higher levels of energy insecurity; and 13 14 WHEREAS, forty-two percent of households in the State live 15 below the ALICE (asset limited, income constrained, employed) 16 threshold, meaning that almost half of all families in Hawaii 17 18 are struggling to make ends meet, even though they are employed; 19 and 20 21 WHEREAS, additionally, nine percent of these ALICE families are living in poverty, and this trend has progressively worsened 22 in recent years due to the coronavirus disease 2019 pandemic; 23 24 and 25 WHEREAS, rising temperatures and humidity due to climate 26 change have increased the need for air conditioning, resulting 27 in the need for more electricity and further exacerbating the 28 29 situation of energy insecurity for residents; and 30

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WHEREAS, Hawaii's electricity rates are the highest in the 1 2 nation, at close to three times the national average; and 3 WHEREAS, although the federal Low Income Home Energy 4 Assistance Program is available for bill assistance, an average 5 of only twenty percent of qualifying households actually receive 6 benefits, leaving an obvious unmet need for bill assistance or 7 8 rate relief to those in privation; and 9 WHEREAS, the State's electric utilities do not offer 10 utility specific low- to moderate-income discount rates and have 11 limited, if any, bill assistance options; and 12 13 14 WHEREAS, in recognition of these and other disparities contributing to high electricity burdens, some state utilities 15 in Arizona, California, Georgia, Maine, Massachusetts, 16 Minnesota, New Hampshire, New York, Pennsylvania, Rhode Island, 17 and Vermont are authorized to offer lower rates to low- and 18 limited-income customers to reduce residential electricity 19 burden and ensure continued access to electrical power; and 20 21 WHEREAS, when comparing electricity burden maps in the 22 23 Department of Business, Economic Development, and Tourism's electricity burden report to the Hawaii Statewide Energy Project 24 Directory provided by the Hawaii State Energy Office, a 25 substantial number of the current and planned energy project 26 locations are in or near areas that have higher electricity 27 28 burdens; and 29 WHEREAS, the communities that serve as geographic hosts for 30 major energy projects receive the same project benefit of secure 31 provision of service as all other ratepayers, yet must live with 32 33 the burdens associated with hosting those projects and are neither offered compensation for doing so nor are generally 34 35 meaningfully engaged in the planning process; and 36 WHEREAS, the burdens host communities shoulder include high 37 concentrations of particulate air emissions, loss of open space, 38 39 loss of other land uses, environmental concerns, and projects that are maligned with the host community's localized needs and 40 priorities for provision of electrical service; and 41 42

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WHEREAS, without intentional and informed planning, 1 progression toward the State's clean energy goals may therefore 2 3 come at the expense of already burdened communities; and 4 5 WHEREAS, current circumstances necessitate an explicit 6 focus on energy and climate justice to ensure that the benefits 7 and burdens of energy infrastructure development in the face of climate change are equitably distributed; and 8 9 10 WHEREAS, the Public Utilities Commission has worked on and 11 continues to work on energy resource issues through its docket proceedings, such as docket no. 2019-0323, which is 12 13 investigating distributed energy resource policies pertaining to 14 the Hawaiian Electric Companies; now, therefore, 15 BE IT RESOLVED by the House of Representatives of the 16 Thirty-first Legislature of the State of Hawaii, Regular Session 17 of 2022, that the Public Utilities Commission is requested to 18 19 consider efforts to mitigate high energy burdens for low- and moderate-income customers and input by the Consumer Advocate and 20 investigate how to integrate considerations of energy equity and 21 justice across its work; and 22 23 BE IT FURTHER RESOLVED that the Public Utilities Commission 24 25 is requested to examine: 26 27 (1)Low- and moderate-income rate discounts, bill credits, 28 and direct payments and whether these would be 29 appropriate in the State; 30 (2) Expanded availability of utility bill assistance 31 programs and whether adequate payment plan 32 arrangements are available to low- and moderate-income 33 customers who are facing economic challenges, such as 34 loss of employment; 35 36 37 (3) Measures to protect low- and moderate-income 38 households, senior citizens, and households with 39 infants from service disconnections, including reporting requirements for all utilities on the number 40 of customers annually disconnected due to non-payment; 41 42

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2 program offerings, and the requirements of community benefits agreements to address energy burden, energy 3 insecurity, and environmental and energy justice 4 5 concerns related to energy projects and programs; and 6 (5) Other customer-centric solutions to lessen the energy 7 8 burden on low- and moderate-income customers and determine appropriate benefits above and beyond those 9 accrued to the overall electric grid for communities 10 11 that serve as geographic hosts to utility scale energy 12 projects; and 13 BE IT FURTHER RESOLVED that the Public Utilities Commission 14 is requested to establish the necessary proceeding or 15 proceedings to conduct this examination; provided that the 16 proceedings are not duplicative, but rather focus on the need 17 for integration of energy equity and justice in the ongoing and 18 future work of the Public Utilities Commission; and 19 20 21 BE IT FURTHER RESOLVED that the Public Utilities Commission is requested to submit a report to the Legislature of its 22 findings and recommendations, including any proposed 23 24 legislation, no later than twenty days prior to the convening of the Regular Session of 2023; and 25 26 27 BE IT FURTHER RESOLVED that certified copies of this Resolution be transmitted to the Chairperson of the Public 28 Utilities Commission and Department of Commerce and Consumer 29 Affairs Consumer Advocate.

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- The advantages and disadvantages of rate design,
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