JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LT GOVERNOR



JAMES KUNANE TOKIOKA CHAIR

**GWEN S YAMAMOTO LAU**EXECUTIVE DIRECTOR

Testimony of

Gwen Yamamoto Lau

**Executive Director** 

Hawai'i Green Infrastructure Authority

before the

### HOUSE COMMITTEE ON CONSUMER PROTECTION AND COMMERCE

Thursday, March 28, 2024, 2:00 P.M.
State Capitol, Conference Room 329
in consideration of

# Senate Bill No. 2122, SD1, HD1 RELATING TO ENERGY-EFFICIENCY PORTFOLIO STANDARDS

Chair Nakashima, Vice Chair Sayama, and Members of the Committee:

Thank you for the opportunity to testify on SB 2122, SD1, HD1 relating to energy-efficiency portfolio standards. The Hawai'i Green Infrastructure Authority (HGIA) **supports** this bill which extends the state's energy-efficiency portfolio standards from 2030 to 2045 and updates the standards.

Achievement of the state's bold goal of achieving 100% clean energy in the electricity sector by 2045 requires strategic tactics, which includes a portfolio of tools and solutions. Similar to renewable technologies and projects (e.g., solar, wind, geothermal, etc.), the energy efficiency portfolio standard is also a critical tool towards goal achievement, which should be aligned with the 2045 clean energy deadline.

Energy efficiency measures can also reduce energy consumption in a cost-effective manner, resulting in electric utility bill savings.

Thank you for this opportunity to provide comments and testify in support of SB 2122, SD1, HD1.



JOSH GREEN, M.D. GOVERNOR | KE KIA'ĀINA

**SYLVIA LUKE**LIEUTENANT GOVERNOR | KA HOPE KIA'ĀINA

# STATE OF HAWAII | KA MOKUʻĀINA 'O HAWAIʻI OFFICE OF THE DIRECTOR DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS KA 'OIHANA PILI KĀLEPA

NADINE Y. ANDO DIRECTOR | KA LUNA HO'OKELE

**DEAN I HAZAMA**DEPUTY DIRECTOR | KA HOPE LUNA HO'OKELE

335 MERCHANT STREET, ROOM 310 P.O. BOX 541 HONOLULU, HAWAII 96809 Phone Number: (808) 586-2850

Phone Number: (808) 586-2850 Fax Number: (808) 586-2856 cca.hawaii.gov

## **Testimony of the Department of Commerce and Consumer Affairs**

Before the
House Committee on Consumer Protection & Commerce
Thursday, March 28, 2024
2:00 p.m.
Conference Room 329

## On the following measure: S.B. 2122, S.D. 1, H.D. 1, RELATING TO ENERGY-EFFICIENCY PORTFOLIO STANDARDS

Chair Nakashima and Members of the Committee:

My name is Michael Angelo, and I am the Executive Director of the Department of Commerce and Consumer Affairs (Department) Division of Consumer Advocacy. The Department supports this bill.

The purpose of this bill is to: (1) extend the State's energy efficiency portfolio standards from 2030 to 2045; and (2) authorize the Public Utilities Commission (Commission) to establish interim goals, and clarify procedures.

The Department believes that energy efficiency can and should play an important role in Hawaii's efforts to transition to clean energy and recognizes that energy efficiency is viewed often as the most cost-effective means to contribute to the State's clean energy goals. The cost-effectiveness of energy efficiency measures to reduce emissions was recently confirmed in a December 2023 study conducted by the Hawaii State Energy

Testimony of DCCA S.B. 2122, S.D. 1, H.D. 1 Page 2 of 2

Office pursuant to Act 238, Session Laws of Hawaii 2022. Accordingly, the Department supports the intent to modify the energy efficiency portfolio standards and has already engaged in discussions with other stakeholders in the technical advisory group convened to discuss the work done by the Public Benefits Administrator as well as the vendor responsible for fulfilling energy efficiency portfolio standards, Hawaii Energy, regarding possible changes to the portfolio standards. The Department is committed to continuing its work with stakeholders to help coordinate efforts regarding energy efficiency and towards policies and goals that are cost-effective as possible.

The Department views energy efficiency efforts as an important tool for cost-effectively reducing the State's need for generating resources and providing a means for individual customers to lower their energy bills. The Department believes that this bill solidifies Hawaii's commitment to energy efficiency by realigning the energy efficiency portfolio standards with the timeline for the State's renewable portfolio standards and allowing the Commission set interim standards to maximize cost-effective energy-efficiency programs and technologies to meet the State's clean energy goals.

Thank you for the opportunity to testify on this bill.

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# HAWAII STATE ENERGY OFFICE STATE OF HAWAII

JOSH GREEN, M.D. GOVERNOR

> SYLVIA LUKE LT. GOVERNOR

MARK B. GLICK CHIEF ENERGY OFFICER

Telephone: (808) 451-6648
Web: energy.hawaii.gov

235 South Beretania Street, 5th Floor, Honolulu, Hawaii 96813 Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804

# Testimony of MARK B. GLICK, Chief Energy Officer

# before the HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE

Thursday, March 28, 2024 2:00 PM State Capitol, Conference Room 329 and Videoconference

In Support of SB 2122, SD1, HD1

## RELATING TO ENERGY-EFFICIENCY PORTFOLIO STANDARDS.

Chair Nakashima, Vice Chair Sayama, and members of the Committee, the Hawai'i State Energy Office (HSEO) supports SB 2122, SD1, HD1, which extends the State's energy-efficiency portfolio standards (EEPS) from 2030 to 2045 and authorizes the Public Utilities Commission (PUC) to establish interim goals by rule or order to maximize cost-effective energy-efficiency programs and technologies.

HSEO serves on the PUC's Technical Working Group of energy stakeholders that review and assess the States's progress to meeting that State's energy efficiency goals. HSEO also prepared and submitted the <a href="Hawai'i Pathways to Decarbonization">Hawai'i Pathways to Decarbonization</a> Report<sup>1</sup> to the 2024 Hawai'i State Legislature that candidly reviews the significant challenges to meeting Hawai'i's decarbonization goals and the difficult, yet achievable, pathways to get there. There is consensus among the Technical Working Group and the Decarbonization Study that "energy efficiency and conservation are the single most important and most cost-effective measure to meaningfully reduce electricity demand, thus negating the need to develop more electricity generation." The Decarbonization Report has a specific recommendation to update and extend the EEPS.

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<sup>&</sup>lt;sup>1</sup> Hawaii State Energy Office. *Hawai'i Pathways to Decarbonization*. 2023. <a href="https://energy.hawaii.gov/wp-content/uploads/2024/01/Act-238">https://energy.hawaii.gov/wp-content/uploads/2024/01/Act-238</a> HSEO Decarbonization Report.pdf

Hawai'i State Energy Office SB 2122, SD1, HD1 - RELATING TO ENERGY-EFFICIENCY PORTFOLIO STANDARDS - Support March 28, 2024 Page 2

Given the critical importance of energy efficiency in Hawai'i's energy transition, extending the EEPS end goal date of 2045 to be consistent with the renewable portfolio standard and decarbonization policies are warranted, reasonable, and advisable.

Thank you for the opportunity to testify.

# TESTIMONY OF LEODOLOFF R. ASUNCION, JR. CHAIR, PUBLIC UTILITIES COMMISSION STATE OF HAWAII

# TO THE HOUSE COMMITTEE ON CONSUMER PROTECTION AND COMMERCE

March 28, 2024 2:00 p.m.

Chair Nakashima, Vice Chair Sayama, and Members of the Committee:

MEASURE: S.B. 2122, S.D. 1 H.D. 1

**TITLE:** RELATING TO ENERGY EFFICIENCY PORTFOLIO STANDARDS

**DESCRIPTION:** Extends the State's energy efficiency portfolio standards from 2030 to 2045. Authorizes the Public Utilities Commission to establish interim goals, and clarifies procedures. Effective 7/1/3000. (HD1)

**POSITION:** The Public Utilities Commission ("Commission") supports this measure and offers the following comments for consideration.

#### **COMMENTS:**

The Commission appreciates the intent of this measure to extend and further develop the energy-efficiency portfolio standard (EEPS) as established in Act 155, Session Laws of Hawaii 2009, and set into law as HRS §269-96. EEPS has been a successful policy for Hawaii, serving as a critical component in support of our state's clean energy and decarbonization goals. In the fifteen years since establishment, the impact of the EEPS target has generated many successful energy-saving programs for Hawaii's residents and businesses, including those offered by Hawai'i Energy (the energy efficiency implementer for Hawaiian Electric Company's customers), the GEMS loan programs, Kauai Island Utility Cooperative's energy efficiency efforts, and other implementation initiatives throughout the state. The recent Market Potential Study (2020)<sup>1</sup> indicates that Hawaii is

<sup>&</sup>lt;sup>1</sup> Applied Energy Group (2020). *State of Hawaii Market Potential Study*. <a href="https://www.hawaiieeps.org/8-5-2020-market-potential-study-rel">https://www.hawaiieeps.org/8-5-2020-market-potential-study-rel</a>

on track to meet and exceed the established 2030 target of 4,300 GWh of energy savings. The next Market Potential Study will occur in 2025-2026 and will provide further data and updated analyses to inform a revised target beyond 2030.

The Commission, in collaboration with the EEPS Technical Working Group and Hawai'i Energy, will continue to utilize energy efficiency programs, services, and policies to achieve the near-term 2030 target, while ensuring the long-term continued impact of programming benefits through meeting new EEPS targets for 2045, which would also align with our state's Renewable Energy Portfolio Standard target date. The Commission notes the significant importance of energy efficiency as a lowest-cost and non-emitting resource during this critical time, as is also highlighted in Hawaiian Electric's current Integrated Grid Planning process, as well as in the Hawaii State Energy Office's recently published Decarbonization Report.

The Commission suggests removal of the defective date and recommends this bill should become effective on passage or on July 1, 2024.

Thank you for the opportunity to testify on this measure.

### OFFICE OF CLIMATE CHANGE SUSTAINABILITY AND RESILIENCY

## KE KE'ENA LOLI ANIAU MĀLAMA 'ĀINA A ME KE OLA LOA CITY AND COUNTY OF HONOLULU

PHONE: (808) 768-2277 • EMAIL: resilientoahu@honolulu.gov • INTERNET: www.resilientoahu.org

650 SOUTH KING STREET, 11th FLOOR • HONOLULU, HAWAI'I 96813

RICK BLANGIARDI MAYOR *MEIA* 



MATTHEW GONSER, AICP, CFM EXECUTIVE DIRECTOR & CHIEF RESILIENCE OFFICER PO'O HO'OKŌ & KAHU OLA LOA

BENJAMIN SULLIVAN DEPUTY DIRECTOR & DEPUTY CHIEF RESILIENCE OFFICER HOPE PO'O & HOPE KAHU OLA LOA

THURSDAY, MARCH 28, 2024, 2:00 P.M.

# STATE OF HAWAI'I HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE

# TESTIMONY ON SENATE BILL 2122 SD1 HD1 RELATING TO ENERGY-EFFICIENCY PORTFOLIO STANDARDS

BY.

MATTHEW GONSER
EXECUTIVE DIRECTOR AND CHIEF RESILIENCE OFFICER
OFFICE OF CLIMATE CHANGE, SUSTAINABILITY AND RESILIENCY

Dear Chair Nakashima, Vice Chair Sayama, and Members of the Committee:

The City and County of Honolulu ("City") Office of Climate Change, Sustainability and Resiliency (CCSR) **supports SB2122 SD1 HD1**, which extends the state's energy-efficiency portfolio standards from 2030 to 2045.

The City has established a Climate Action Policy to achieve 100 percent renewable energy and net-negative carbon emissions no later than 2045<sup>1</sup>. The City's Climate Action Plan recognizes the importance that energy efficiency plays in our ability to achieve that target, as it remains the most cost-effective way to reduce emissions associated with electricity generation, while also providing financial benefits to residents<sup>2</sup>.

The City continues to advance energy efficiency within our own operations through energy savings performance contracts<sup>3</sup>, as well as drive greater efficiency in the broader built environment via programs such as the Better Buildings Benchmarking

<sup>1</sup> Revised Ordinances of Honolulu 2021. § 2-10.12 Climate action: https://codelibrary.amlegal.com/codes/honolulu/latest/honolulu/0-0-0-50474#JD 2-10.12.

<sup>2</sup> City and County of Honolulu. *One Climate One O'ahu* Climate Action Plan 2020-2025. Strategy 5: Reduce Energy Demand by Increasing Energy Efficiency:

https://www.resilientoahu.org/s/2020-2025-Climate-Action-Plan.pdf

<sup>3</sup> City-Wide Energy Savings Performance Contract: https://www.sustainablehonolulu.com/.

Chair Nakashima and Vice Chair Sayama SB2122 SD1 HD1 March 28, 2024 Page 2

Program<sup>4</sup>. The City looks forward to continued partnership with the state to support increased energy efficiency at the household level and generating cost savings for Oʻahu residents.

Extending the state's energy efficiency portfolio standards will accelerate momentum on many critical energy and cost savings initiatives and continue to guide decision-making towards achieving our 2045 targets.

Thank you for the opportunity to testify in support of SB2122 SD1 HD1.

<sup>4</sup> City and County of Honolulu Better Buildings Benchmarking Program: <a href="https://www.resilientoahu.org/benchmarking">https://www.resilientoahu.org/benchmarking</a>.



# TESTIMONY BEFORE THE HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE

# SB 2122, SD1, HD1 Relating to Energy-Efficiency Portfolio Standards

Thursday, March 28, 2024 2:00 PM State Capitol. Conference Room 329

Kaʻiulani Shinsato Director, Customer Energy Resources Programs Hawaiian Electric

Dear Chair Nakashima, Vice Chair Sayama, and Members of the Committee,

My name is Kaʻiulani Shinsato and I am testifying on behalf of Hawaiian Electric in **support** of SB 2122, SD1, HD1, Relating to Energy-Efficiency Portfolio Standards.

SB 2122, SD1, HD1 extends the State's Energy-Efficiency Portfolio Standards ("EEPS") from 2030 to 2045, and authorizes the Public Utilities Commission ("PUC") to establish interim goals. Hawaiian Electric supports this measure because widespread adoption of energy conservation and energy efficiency measures will be required to meet the State's 2030 and 2045 decarbonization goals. Extending the target date of the EEPS to 2045 would ensure continued focus on energy efficiency as a critical resource to meet our clean energy goals, and align with the 2045 target for the State's decarbonization and Renewable Portfolio Standards goals.

Hawaiian Electric is part of the PUC's Technical Working Group of energy stakeholders that review and assess the State's progress towards meeting the EEPS. Hawaiian Electric looks forward to continued collaboration with the PUC, the State's third-party Public Benefits Fee Administrator, Hawaii Energy, and other energy stakeholders to ensure continued progress towards achievement of the EEPS.

Thank you for this opportunity to provide testimony in support of SB 2122, SD1,

HD1.



Email: communications@ulupono.com

# HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE Thursday, March 28, 2024 — 2:00 p.m.

# Ulupono Initiative <u>supports</u> SB 2122 SD1 HD1, Relating to Energy-Efficiency Portfolio Standards.

Dear Chair Nakashima and Members of the Committee:

My name is Micah Munekata, and I am the Director of Government Affairs at Ulupono Initiative. We are a Hawai'i-focused impact investment firm that strives to improve the quality of life throughout the islands by helping our communities become more resilient and self-sufficient through locally produced food, renewable energy, clean transportation choices, and better management of freshwater resources.

**Ulupono** supports SB 2122 SD1 HD1, which extends the State's energy efficiency portfolio standards from 2030 to 2045 and authorizes the Public Utilities Commission to establish interim goals, and clarifies procedures.

Ulupono is supportive of energy efficiency measures to lower electricity consumption across the state. Notably, the Hawai'i State Energy Office recently published its Hawai'i Pathways to Decarbonization Report, which identifies, among other things, the crucial role that energy efficiency will play as one of the most important actions that can be made to reduce energy demand *before* implementing other measures such as developing new renewable generation, reducing vehicle miles traveled, converting to electric transport, and deploying carbon capture technologies. As Hawai'i's electricity costs are expected to rise in the near-term<sup>2</sup>, Ulupono sees the value of measuring and tracking energy usage as a first step to reduce energy consumption, lower overall electricity costs, and eliminate energy "waste." Hawai'i's energy issues remain increasingly complex and challenging. We appreciate the State's efforts to look at policies that reduce the overall demand, which in return will result in lower utility bills, thus mitigating the high cost of living and doing business in Hawai'i.

Thank you for the opportunity to testify.

Respectfully,

Micah Munekata Director of Government Affairs

<sup>&</sup>lt;sup>1</sup> Hawaiʻi Pathways to Decarbonization Act 238, Session Laws of Hawaiʻi 2022, Report to the 2024 Hawaiʻi State Legislature December 2023. https://energy.hawaii.gov/wp-content/uploads/2024/01/Act-238\_HSEO\_Decarbonization\_Report.pdf

<sup>&</sup>lt;sup>2</sup>See Hawaiian Electric Newsroom, "Driven up by Russian invasion, oil prices will push electric bills higher in coming months," March 10, 2022. <a href="https://www.hawaiianelectric.com/driven-up-by-russian-invasion-oil-prices-will-push-electric-bills-higher-in-coming-months">https://www.hawaiianelectric.com/driven-up-by-russian-invasion-oil-prices-will-push-electric-bills-higher-in-coming-months</a>

# **Building Decarbonization Task Force Hawai'i Environmental Change Agents**

HawaiiChangeAgents@gmail.com hawaiichangeagents.org

March 25, 2024

# SUPPORT FOR SB2122 SD1 HD1 - Relating to Renewable Energy

Aloha Chair Nakashima, Vice Chair Sayama, and Committee Members,

The Building Decarbonization Task Force of the Hawai'i Environmental Change Agents supports SB2122 SD1 HD1, which "Extends the State's energy-efficiency portfolio standards from 2030 to 2045 and updates the standards. Authorizes the public utilities commission to adjust the 2045 and interim standards."

Hawai'i Environmental Change Agents (HECA) consists of ten task forces; one of which is the Building Decarbonization Task Force. This task force supports SB2122 SD1 HD1 for the following reasons:

- As Hawai'i progresses toward achieving its 100% renewable energy and decarbonization goals, energy efficiency remains the quickest, cheapest, and cleanest way to reduce emissions from the electricity sector, while also providing financial benefits to Hawai'i residents and businesses. The HSEO's December 2023 Hawaii Pathways to Decarbonization study found energy efficiency measures to be cost-effective.
- As the State moves to electrify transportation, energy efficiency efforts are an important tool for cost-effectively reducing the State's need for additional generating resources to meet this growing demand.
- The recent Market Potential Study (2020) indicates that Hawaii is on track to meet and exceed the established 2030 target of 4,300 GWh of energy savings (Applied Energy Group (2020). State of Hawaii Market Potential Study. https://www.hawaiieeps.org/8-5-2020-market-potential-study-re). Extending the target date to 2045 would ensure continued impact of energy efficiency programming benefits, as well as aligning with our state's Renewable Portfolio Standard target date.

Thank you for this opportunity to testify.

Please support SB2122 SD1 HD1.

Mahalo,

Building Decarbonization Task Force of HECA (by Paul Bernstein)

# Citizens' Climate Lobby Hawai'i

hi.ccl.lobby@gmail.com cclhawaii.org



March 26, 2024

SUPPORT FOR SB2122 SD1 HD1 – Relating to Renewable Energy

Aloha Chair Nakashima, Vice Chair Sayama, and Committee Members,

Citizens Climate Lobby Hawai'i supports SB2122 SD1 HD1, which "Extends the State's energy efficiency portfolio standards from 2030 to 2045. Authorizes the Public Utilities Commission to establish interim goals, and clarifies procedures."

We support SB2122 SD1 HD1 for the following reasons:

- As Hawai'i progresses toward achieving its 100% renewable energy and decarbonization goals, energy efficiency remains the quickest, cheapest, and cleanest way to reduce emissions from the electricity sector, while also providing financial benefits to Hawai'i residents and businesses. The HSEO's December 2023 Hawaii Pathways to Decarbonization study found energy efficiency measures to be cost-effective.
- As the State moves to electrify transportation, energy efficiency efforts are an important tool for cost-effectively reducing the State's need for additional generating resources to meet this growing demand.
- The recent Market Potential Study (2020) indicates that Hawaii is on track to meet and exceed the established 2030 target of 4,300 GWh of energy savings (Applied Energy Group (2020). State of Hawaii Market Potential Study. https://www.hawaiieeps.org/8-5-2020-market-potential-study-re). Extending the target date to 2045 would ensure continued impact of energy efficiency programming benefits, as well as aligning with our state's Renewable Portfolio Standard target date.

Thank you for this opportunity to testify.

Mahalo,

Citizens Climate Lobby Hawai'i

Citizens' Climate Lobby (CCL) is a nonprofit, nonpartisan, grassroots advocacy organization focused on national policies to address climate change solutions. CCL Hawai'i's 1000+ members are part of a 180,000+ global organization. For more information, visit citizensclimatelobby.org.



To: The Honorable Chair Mark Nakashima, the Honorable Vice Chair Jackson Sayama, and Members of the Committee on Consumer Protection and Commerce.

From: Climate Protectors Hawai'i (by Ted Bohlen)

Re: Hearing SB2122 SD1 HD1 RELATING TO BUILDING CODES

Hearing: Thursday March 28, 2024, 2:00 p.m., room 329

Aloha Chair Nakashima, the Honorable Vice Chair Jackson Sayama, and Members of the Committee on Consumer Protection and Commerce!

The Climate Protectors Hawai'i seek to educate and engage the local community in climate change action, to help Hawai'i show the world the way back to a safe and stable climate.

Climate Protectors Hawai'i STRONGLY SUPPORTS SB2122 SD1 HD1!

Energy efficiency is still the most cost-effective way to reduce emissions associated with electricity generation and consumption. Hawaii's energy efficiency portfolio standards save consumers money, create green jobs, and

the planet. This bill would prevent the standards from expiring in 2030 by extending them to 2045. The bill also would authorize the PUC to establish interim goals by 2030, 2035 and 2040 and maximize cost-effective energy-efficiency programs and technologies. The savings goal for 2045 would increase to 6,000 GWh, in light of achievement of energy savings goals.

Please pass this bill to save customers money and reduce harmful emissions, including greenhouse gases!

Mahalo for providing the opportunity to testify!

Climate Protectors Hawai'i (by Ted Bohlen)



# House Committee on Consumer Protection & Commerce Hawai'i Alliance for Progressive Action (HAPA) <u>Supports</u>: SB 2122 SD1 HD1

Thursday, March 28, 2024 2:00 p.m. Conference Room 329

Hello Chair Nakashima, Vice Chair Sayama, and members of the Committee,

I am writing on behalf of the Hawai'i Alliance for Progressive Action (HAPA) to express our strong support for Senate Bill 2122 SD1 HD1, which extends the state's energy efficiency portfolio standards beyond 2030 to 2045.

As Hawai'i moves forward in achieving its ambitious goal of 100% renewable energy and decarbonization, it is essential to recognize that energy efficiency remains the quickest, cheapest, and cleanest strategy to reduce emissions from the electricity sector. Furthermore, investing in energy efficiency provides significant financial benefits to both Hawai'i residents and businesses.

Since the establishment of the Energy Efficiency Portfolio Standards (EEPS) in 2009 with the goal of reducing statewide electricity use by 4,300 gigawatt-hours by 2030, Hawai'i has made commendable progress in advancing clean energy initiatives. However, with the subsequent mandate to achieve 100% Renewable Portfolio Standards by 2045, it is imperative that we extend the EEPS goal beyond 2030 to ensure continued progress towards our clean energy objectives.

SB 2122 SD1 HD1 proposes to expand the energy efficiency portfolio standards from a goal of 4,300 gigawatt-hours of electricity savings by 2030 to 6,000 gigawatt-hours of electricity savings by 2045. This adjustment is a crucial step in aligning state planning across the energy sector and ensuring that energy efficiency remains a fundamental component of Hawai'i's clean energy future.

In conclusion, I urge you to support SB 2122 SD1 HD1 as it represents a proactive and necessary measure to advance Hawaii's clean energy goals while simultaneously benefiting our environment, economy, and communities.

The Hawai'i Alliance for Progressive Action (HAPA) is a public non-profit organization under Section 501(c)(3) of the Internal Revenue Code. HAPA's mission is to catalyze community empowerment and systemic change towards valuing 'aina (environment) and people ahead of corporate profit.

Mahalo for considering our testimony in support of SB 2122 SD1 HD1.

Respectfully,

Anne Frederick Executive Director



### TESTIMONY FROM THE DEMOCRATIC PARTY OF HAWAI'I

**COMMITTEE REFERRAL: CPC** 

MARCH 28, 2024

# SB 2122, SD1, HD1, RELATING TO ENERGY-EFFICIENCY PORTFOLIO STANDARDS

**POSITION: SUPPORT** 

The Democratic Party of Hawai'i <u>supports</u> SB 2122, SD1, HD1, relating to energy-efficiency portfolio standards. Pursuant to the "Environment and Energy" section of the official Democratic Party of Hawai'i platform, the party believes "that a key part of a sustainable and self-sufficient future for Hawai'i lies in achieving energy independence through a transition to clean renewable energy sources," and supports "policy that eliminates our dependence on fossil fuels and other dirty energy sources."

According to a report produced by the Hawai'i Climate Change Mitigation and Adaptation Commission, global sea levels could rise more than three feet by 2100, with more recent projections showing this occurring as early as 2060. In turn, over the next 30 to 70 years, approximately 6,500 structures and 19,800 people statewide will be exposed to chronic flooding. Additionally, an estimated \$19 billion in economic loss would result from chronic flooding of land and structures located in exposure areas. Finally, approximately 38 miles of coastal roads and 550 cultural sites would be chronically flooded, on top of the 13 miles of beaches that have already been lost on Kaua'i, O'ahu, and Maui to erosion fronting shoreline armoring.

As we work to reduce carbon emissions and stave off the worst consequences of climate change, we must begin preparing for the adverse impact of sea level rise on our shores. We are now quantifying the speed at which we must act. We cannot continue to develop the 25,800-acre statewide sea level rise exposure area—one-third of which is designated for urban use—without risking massive structural damage and, potentially, great loss of life.

Last year, we witnessed the impact of the climate emergency on our shores. On August 8, 2023, wildfires swept across Maui and killed at least 100 people, making it one of the nation's deadliest natural disasters. The spread of the fires has been attributed to climate change conditions, such as unusually dry landscapes and the confluence of a strong high-pressure system to the north and Hurricane Dora to the south. The wildfires destroyed over 2,200 structures, including numerous residential buildings, historic landmarks, and school facilities. In September 2023, a report from the United States Department of Commerce estimated the total economic damage of the wildfires to be roughly \$5.5 billion. Investing in renewable energy generation could not be more urgent, given the growing threat of climate-induced catastrophes to our island home.

Therefore, <u>our state should take steps to accelerate our transition</u> to a clean energy economy and continue our fight against climate change, including by extending the state's energy efficiency portfolio standards from 2030 to 2045. Strengthening energy efficiency is vital in reducing emissions associated with electricity generation, while providing financial benefits for consumers. The Hawai'i Clean Energy Initiative sets a statewide energy efficiency goal for 2030 at 4,300 gigawatt hours and directs the Public Utilities Commission to establish interim goals for 2015, 2020, and 2025. Extending these goals will ensure that the PUC may continue improving our state's energy-efficiency portfolio standards beyond 2030.

Mahalo nui loa,

#### **Kris Coffield**

Co-Chair, Legislative Committee (808) 679-7454 kriscoffield@gmail.com

# **Abby Simmons**

Co-Chair, Legislative Committee (808) 352-6818 abbyalana808@gmail.com



To: The House Committee on Consumer Protection & Commerce (CPC)

From: Sherry Pollack, 350Hawaii.org
Date: Thursday, March 28, 2024, 2pm

#### In support of SB2122 SD1 HD1

Aloha Chair Nakashima, Vice Chair Sayama, and Consumer Protection & Commerce Committee members,

I am Co-Founder of the Hawaii chapter of 350.org, the largest international organization dedicated to fighting climate change. 350Hawaii.org **supports SB2122 SD1 HD1** which extends the State's energy efficiency portfolio standards from 2030 to 2045. This measure also authorizes the Public Utilities Commission to establish interim goals, and clarifies procedures.

It is important to extend our energy efficiency goals and ensure that the public utilities commission may continue its work developing and overseeing the State's energy-efficiency portfolio standards beyond 2030. If Hawaii is to achieve our clean energy goals, we must align state planning directed at reducing carbon emissions across the energy sector. This measure would help accomplish this.

Energy efficiency is essential in reducing fossil fuel consumption and greenhouse gas emissions. With the climate crisis we are facing, it is critical that dedicated efforts be made to lower consumption and conserve our precious resources. In addition, reducing energy use saves consumer dollars. Hawaii residents and businesses currently pay the highest electricity rates in the country. Energy efficiency is an important tool that will help reduce electricity use and save millions on customer utility bills.

Simply put, the cleanest, cheapest and safest energy is the energy we don't use.

Mahalo for the opportunity to testify on this measure.

Sherry Pollack Co-Founder, 350Hawaii.org



45 North King Street, Suite 500 • Honolulu, Hawai'i 96817 • HawaiiEnergy.com • P: (808) 839-8880 • F: (808) 441-6068

Before the House Committee on Consumer Protection & Commerce Thursday, March 28, 2024 at 2:00 p.m.

Testimony in Support of SB2122 SD1 HD1: Relating to Energy-Efficiency Portfolio Standards

Chair Nakashima, Vice Chair Sayama, and Members of the Committee:

Thank you for the opportunity to testify in support and provide comments on Senate Bill 2122 SD1 HD1.

Hawai'i Energy works to empower island families and businesses on behalf of the Hawai'i Public Utilities Commission (PUC) to make smart energy choices to reduce energy consumption, save money, and pursue a 100% clean energy future. Energy efficiency – the energy we do not use – is the cheapest option to help us achieve our 100% clean energy goal by eliminating waste and being more efficient.

Hawai'i Energy applauds the legislature's efforts to support energy efficiency's continued impact on Hawai'i's residents and businesses as an integral component of the State's Clean Energy Initiative, which calls for Hawai'i to achieve 100% clean energy by 2045.

This bill extends the target date of the energy-efficiency portfolio standard (EEPS), as established in Act 155, SLH 2009, and set into law as HRS §269-96, to 2045, which aligns EEPS with the state's Renewable Energy Portfolio Standard target date. The bill further develops EEPS to increase its cumulative energy savings goal from 4,300 GWh by 2030 to 6,000 GWh by 2045.

Already, Hawai'i Energy, along with its partners, has been able to implement enough programs and initiatives throughout the state to generate confidence that the established EEPS goal of 4,300 GWh of energy savings by 2030 is on track. The revised goal of 6,000 GWh by 2045 set forth in SB2122 SD1 HD1 reflects that confidence, and Hawai'i Energy is well positioned to continue helping the state's utility ratepayers save electricity and money as we strive for this new target together. We look forward to continuing to work with the PUC as it explores EEPS impacts on Hawai'i's ratepayers and electrical grid through stakeholder workshops.

Given that Hawai'i has the highest electricity rates in the country, energy efficiency remains a highly effective avenue to deliver significant cost savings to Hawaiian families and businesses, especially during these challenging budgetary times. We appreciate the ongoing efforts by the State Legislature to ensure that energy efficiency rightly plays a crucial role in pursuing Hawai'i's 100% clean energy future.

Thank you for the opportunity to testify in support of Senate Bill 2122 SD1 HD1.

Sincerely, Caroline Carl Executive Director Hawai'i Energy



#### HOUSE COMMITTEE ON CONSUMER PROTECTION AND COMMERCE

March 28, 2024, 2:00 PM Room 329

#### **TESTIMONY IN SUPPORT OF SB 2122 SD1 HD1**

Aloha Chair Nakashima, Vice Chair Sayama, and members of the Committee:

Blue Planet Foundation **supports SB 2122 SD1 HD1**, which extends Hawai'i's energy-efficiency portfolio standards (EEPS) from 2030 to 2045 and increases the target of the EEPS from 4,300 to 6,000 gigawatt-hours of energy savings.

In December 2023, the Hawai'i State Energy Office released its Statewide Decarbonization Strategy pursuant to Act 238 (2022). The report highlights how Hawai'i can achieve its statewide goals for a 50% reduction in greenhouse gas emissions by 2030 and net-negative emissions by 2045, which would align the state with global targets that scientists say we need to meet in order to avoid the worst impacts of climate change.

The 350-page report laid bare the harsh reality for Hawai'i's transition— more aggressive action must be taken in all economic sectors to meet the state's mandate to cut its carbon emissions to net-zero. Under the current "business-as-usual" scenario, which already assumes we meet our 100% clean energy goals, Hawai'i will fall short and only reach a 54% decline in economy-wide emissions by 2045.<sup>1</sup>

Notably, the report reaffirms how critical energy efficiency and energy conservation is to achieve our decarbonization goals. As the executive summary states (on page 4):

"The results of the quantitative analysis in this report indicate and reaffirm that **demand or load reductions** resulting from **aggressive energy efficiency measures are the most cost-effective measures to reduce emissions**; with the second scenario which focused on demand reduction showing net-savings, compared to the reference scenario. While this may not be the most glamourous path forward, the results are clear – energy efficiency saves people money and provides the foundation for substantial emissions reduction potential."

<sup>&</sup>lt;sup>1</sup> "Hawaii Pathways to Decarbonization", *Hawaii State Energy Office*, December 2023 (https://energy.hawaii.gov/wp-content/uploads/2024/01/Act-238\_HSEO\_Decarbonization\_Report.pdf).

In 2009, the legislature codified the goals of the Hawai'i Clean Energy Initiative, which included a goal to reduce electricity use by 4,300 gigawatt-hours by 2030. This goal, known as the Energy Efficiency Portfolio Standards (or EEPS), has helped to maximize cost-effective energy efficiency programs and technologies in the state.

Since 2009, Hawai'i has made impressive progress towards its clean energy goals and established a new mandate to achieve 100% renewable electricity by 2045 (Act 97 of 2015). Although the renewable portfolio standard was updated in 2015, there has not been an extension of the EEPS goal beyond 2030 to align with the 2045 planning target for renewable energy. Extending the EEPS goal beyond 2030 is an important step to ensure energy efficiency is factored into future grid planning efforts. The cheapest and cleanest energy is the energy that we don't use.

As Hawaiii progresses toward achieving its 100% renewable energy and carbon-negative decarbonization goals, energy efficiency remains the most cost-effective way to reduce emissions associated with electricity generation and consumption, while providing financial benefits to Hawaii residents and businesses during the transition. We strongly support this bill and encourage an extension to our EEPS goal to further our state's climate progress in an equitable and affordable way.

Thank you for the opportunity to testify in support of SB 2122 SD1 HD1.

<u>SB-2122-HD-1</u> Submitted on: 3/26/2024 12:01:31 PM

Testimony for CPC on 3/28/2024 2:00:00 PM

<b>Submitted By</b>	Organization	<b>Testifier Position</b>	Testify
Glen Kagamida	Individual	Support	Written Testimony Only

## Comments:

SOMETHING THAT SHOULD BE DONE AND DONE ON A REGULAR BASIS INSTEAD OF REQUIRING A BILL.

MAHALO!

To: The House Committee on Consumer Protection & Commerce

From: Brodie Lockard

Date: Thursday, March 28, 2024, 2:00 pm

## In support of SB2122

#### Dear Chair Nakashima and Committee Members—

The "Energy Efficiency Portfolio Standards" (or EEPS), Hawai'i's long-term goal to reduce statewide electricity use by 2030, has not been updated since 2009. Hawai'i has set new goals to achieve 100% clean energy and net-zero emissions by 2045, but the EEPS goal needs to extend beyond 2030 to align planning across the state.

SB2122 would expand the EEPS from a goal of 4,300 gigawatt-hours of electricity savings by 2030 to 6,000 gigawatt-hours of savings by 2045—a crucial step to reduce carbon emissions and cut Hawai'i's high electric bills.

Embracing energy efficiency is a critical part of reducing carbon emissions and addressing the climate crisis that everyone seems to have forgotten about.

I urge you to pass this crucial bill.

Brodie Lockard Founder, 350Hawaii

Submitted By	Organization	Testifier Position	Testify
Sage Keller	Individual	Support	Written Testimony Only

Aloha Chair Nakashima, Vice Chair Sayama, and members of the Committee,

I am testifying in support of SB 2122 SD1 HD1, which extends the state's energy efficiency portfolio standards beyond 2030 to 2045.

Hawai'i residents face some of the highest electricity costs nationwide. SB 2122 will help lower these bills by expanding energy efficiency targets. This means savings for families and businesses across the state.

Moreover, by extending our energy efficiency goals, we align with our aim of achieving 100% clean energy and net-zero emissions by 2045.

SB 2122 also promotes fairness by making electricity more affordable for everyone, regardless of income. It empowers the Public Utilities Commission to set goals and incentives for ongoing improvement.

In conclusion, SB 2122 is an essential step towards a cleaner, more affordable, and equitable energy future for Hawai'i. I urge you to support this bill.

Thank you for the opportunity to submit testimony in support.

Sincerely,

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Sage Keller, Kilauea, HI, 96754

Submitted on: 3/26/2024 1:41:55 PM

Testimony for CPC on 3/28/2024 2:00:00 PM

<b>Submitted By</b>	Organization	<b>Testifier Position</b>	Testify
Donna Thelander	Individual	Support	Written Testimony Only

#### Comments:

Aloha Chair Nakashima, Vice Chair Sayama, and members of the Committee,

I am testifying in support of SB 2122 SD1 HD1, which extends the state's energy efficiency portfolio standards beyond 2030 to 2045.

Residential energy costs have increased multiple times over the last few years and are on track to increase even more. With so much potential for renewable energy in the state, this is a complmetely unacceptable burden on our citizens. Let's take every step we can to reduce this burden and the pollution it causes.

As Hawai'i progresses toward achieving its 100% renewable energy and decarbonization goals, energy efficiency remains the quickest, cheapest, and cleanest way to reduce emissions from the electricity sector, while also providing financial benefits to Hawai'i residents and businesses.

In 2009, Hawai'i established a long-term goal known as the "Energy Efficiency Portfolio Standards" (or EEPS) to reduce statewide electricity use by 4,300 gigawatt-hours by 2030. Since then, Hawai'i has made impressive progress towards clean energy and established a new mandate to achieve 100% "Renewable Portfolio Standards" by 2045, but we have yet to extend the EEPS goal beyond 2030.

I strongly support SB 2122 SD1 HD1 to expand the energy efficiency portfolio standards from a goal of 4,300 gigawatt-hours of electricity savings by 2030 to 6,000 gigawatt-hours of electricity savings by 2045. This is an important step to align state planning across the energy sector and ensure energy efficiency is factored into Hawai'i's clean energy future.

Thank you for the opportunity to submit testimony in support.

Submitted on: 3/26/2024 3:03:26 PM

Testimony for CPC on 3/28/2024 2:00:00 PM

<b>Submitted By</b>	Organization	<b>Testifier Position</b>	Testify
Nanea Lo	Individual	Support	Written Testimony Only

## Comments:

Hello Chair Nakashima, Vice Chair Sayama, and members of the Committee,

I am testifying in support of SB 2122 SD1 HD1, which extends the state's energy efficiency portfolio standards beyond 2030 to 2045.

me ke aloha 'āina,

Nanea Lo, Mōʻiliʻili, Oʻahu

Submitted on: 3/26/2024 3:15:58 PM

Testimony for CPC on 3/28/2024 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
B.A. McClintock	Individual	Support	Written Testimony Only

## Comments:

Hawai'i residents pay the highest electric bills in the nation. Energy efficiency is an accessible, affordable, and equitable way to lower electricity bills for local families, and reduce carbon emissions that are fueling the climate crisis. Please support this bill. Mahalo.

Submitted on: 3/26/2024 3:30:05 PM

Testimony for CPC on 3/28/2024 2:00:00 PM

<b>Submitted By</b>	Organization	<b>Testifier Position</b>	Testify
Lois Crozer	Individual	Support	Written Testimony Only

## Comments:

We have some of the highest electric rates in the country. Also, climate change has already severely impacted us here (besides mismanagement) as we've seen with the Lahaina fire. It's very simple to do our part, the technology is there, we just need to embrace it. Please pass this bill.

Submitted on: 3/26/2024 4:37:17 PM

Testimony for CPC on 3/28/2024 2:00:00 PM

<b>Submitted By</b>	Organization	<b>Testifier Position</b>	Testify
Douglas Perrine	Individual	Support	Written Testimony Only

#### Comments:

Energy efficiency is the low-hanging fruit of reducing carbon emissions. Improving energy efficiency helps protect our climate, improves our health, and saves us money. Since the EEPS was implemented in 2009 with goals for 2030, Hawaii has established a new mandate for 2045. It is high time to update the EEPS to meet our 2045 goals. The faster we move to improve energy efficiency, the more we save, the less we have to spend in climate chaos mitigation, and the healthier our air is to breathe. How could anyone be opposed to this? Please pass SB2122.

Submitted on: 3/26/2024 5:01:30 PM

Testimony for CPC on 3/28/2024 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Carolyn Eaton	Individual	Support	Written Testimony Only

#### Comments:

Aloha, Chair Nakashima, Vice Chair Sayama and members of the Committee,

My name is Carolyn Eaton and my support for this bill is without reservation, wholehearted. I support updating and extending Hawai'i's energy efficiency portfolio standards (EEPS). If you agree, this bill will advance, and we can hope to align EEPS to Hawai'i's new goals, 100% clean energy and net-zero emissions by 2045 (6000 gigawatt-hours of electricity savings), truely, a goal worth achieving.

Mahalo for your hard work and for advancing the common good.

Submitted on: 3/27/2024 2:51:51 AM

Testimony for CPC on 3/28/2024 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Leigh Anne Mayberry	Individual	Support	Written Testimony Only

#### Comments:

Aloha Chair Nakashima, Vice Chair Sayama, and members of the Committee,

I am testifying in support of SB 2122 SD1 HD1, which extends the state's energy efficiency portfolio standards beyond 2030 to 2045.

As a long time resident and small business owner in Hawaii, I feel that this bill will help both from an environmental and financial standpoint. Hawai'i residents and businesses pay the highest electricity rates in the nation, so it's important that we extend our energy efficiency goals to help further reduce electricity use and save millions on customer utility bills.

As Hawai'i progresses toward achieving its 100% renewable energy and decarbonization goals, energy efficiency remains the quickest, cheapest, and cleanest way to reduce emissions from the electricity sector, while also providing financial benefits to Hawai'i residents and businesses.

In 2009, Hawai'i established a long-term goal known as the "Energy Efficiency Portfolio Standards" (or EEPS) to reduce statewide electricity use by 4,300 gigawatt-hours by 2030. Since then, Hawai'i has made impressive progress towards clean energy and established a new mandate to achieve 100% "Renewable Portfolio Standards" by 2045, but we have yet to extend the EEPS goal beyond 2030.

I strongly support SB 2122 SD1 HD1 to expand the energy efficiency portfolio standards from a goal of 4,300 gigawatt-hours of electricity savings by 2030 to 6,000 gigawatt-hours of electricity savings by 2045. This is an important step to align state planning across the energy sector and ensure energy efficiency is factored into Hawai'i's clean energy future.

Thank you for the opportunity to submit testimony in support.

Leigh Anne Mayberry, Honolulu, HI, 96817

Submitted on: 3/27/2024 5:31:13 AM

Testimony for CPC on 3/28/2024 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Jennifer Lieu	Individual	Support	Written Testimony Only

#### Comments:

Aloha Chair Nakashima, Vice Chair Sayama, and members of the Committee,

I am testifying in support of SB 2122 SD1 HD1, which extends the state's energy efficiency portfolio standards beyond 2030 to 2045.

Hawai'i aims for 100% renewable energy and decarbonization. Energy efficiency is key, offering quick, cheap, and clean emission reductions. SB 2122 SD1 HD1 extends energy efficiency goals from 4,300 to 6,000 gigawatt-hours by 2045, crucial for Hawai'i's clean energy future. Thank you for considering my support.

Jennifer Lieu Honolulu HI 96826