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Testimony of the Department of Commerce and Consumer Affairs

Before the
House Committee on Energy & Environmental Protection
And
House Committee on Human Services & Homelessness
Tuesday, February 10, 2026
9:00 a.m.
Via Videoconference

On the following measure:
H.B. 2284, RELATING TO ENERGY ASSISTANCE

Chair Lowen, Chair Marten, and Members of the Committees:

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 administration bill.

The purpose of this bill is to: (1) establish the Hawai'i Home Energy Assistance Program within the Department of Human Services to assist qualifying households in paying their energy bills; and (2) require the Public Utilities Commission Public Benefits Fee Administrator to provide certain information and assistance to recipients of the program.

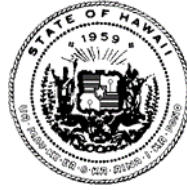
As recognized in this bill, Hawaii's electricity rates are amongst the highest in the nation and the number of electric utility customers in arrears and facing disconnections have grown since prior to the COVID-19 pandemic. In addition, given that the federal low-income home energy assistance program (LIHEAP) is based on a formula that is not

tailored to the needs of Hawaii utility customers, so much so that in fiscal year 2021-2022 Hawaii received only 0.14% of federal LIHEAP funds, the Department fully supports the establishment of a state home energy assistance program as envisioned by this bill.

The Department especially appreciates that this state program is intended to be funded through a general fund appropriation and not through fees assessed on utility customers. Assessing fees on utility customers would increase utility bills for all customers and thereby exacerbate the energy burden for low- to moderate-income households, the very problem that this program is seeking to alleviate. As currently drafted, this measure avoids placing an additional financial burden on those households that this bill would assist. Furthermore, the Department fully supports the provisions of the bill that requires the Public Utilities Commission public benefits administrator, in conjunction with the Department of Human Services, to provide information and technical assistance to recipients of the state energy assistance program and assist them with implementing energy efficiency improvements.

Thank you for the opportunity to testify, and we respectfully ask the Committee to pass this administration bill.

JOSH GREEN, M.D.
GOVERNOR
KE KIA'ĀINA



RYAN I. YAMANE
DIRECTOR
KA LUNA HO'OKELE

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TRISTA SPEER
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February 8, 2026

TO: The Honorable Representative Nicole E. Lowen, Chair
House Committee on Energy and Environmental Protection

The Honorable Representative Lisa Marten, Chair
House Committee on Human Services and Homelessness

FROM: Ryan I. Yamane, Director

SUBJECT: **HB 2284 – RELATING TO ENERGY ASSISTANCE.**

Hearing: Tuesday, February 10, 2026, 9 a.m.
Conference Room 325 & Via Videoconference, State Capitol

DEPARTMENT'S POSITION: The Department of Human Services (DHS) supports this bill, provides comments, and defers to the Public Utilities Commission.

The purpose of this measure is to establish the Hawaii Home Energy Assistance Program within DHS to assist qualifying households in paying their energy bills and requires the Public Utilities Commission Public Benefits Fee Administrator to provide certain assistance to recipients of the program.

DHS currently contracts with agencies in each county to conduct intake and eligibility determinations for applications to the Hawai'i Home Energy Assistance Program (H-HEAP), federally referred to as the Low-Income Home Energy Assistance Program (LIHEAP). The total for the four contracts is just over \$500,000.

With rising utility costs, Hawai'i households are often forced to prioritize expenses, forgoing utilities in favor of rent or food. For over 40 years, H-HEAP has assisted vulnerable

Hawai'i households with electric and gas utility assistance payments through energy crisis intervention or energy credits. These funds prevent or restore service disconnection or provide credit to help offset the household's energy burden.

Each year, funding is subject to Congressional appropriation with decreasing allotments in the years leading up to FFY 2020. However, during the COVID-19 pandemic, Congressional action and supplemental funding from various federal acts allowed DHS to increase income limits to serve more households with record-high energy credits, increase energy credit payments, provide a supplemental crisis payment in 2021, and implement the complete erasure of utility arrears in FFY 2022 and 2023 for eligible households.

In FFY 2023, DHS received the largest LIHEAP appropriation in program history. In total, \$10.6 million was disbursed to nearly 8,300 Hawai'i households through direct payments to utility companies.

In FFY 2025, the appropriation was \$8.7 million, serving 9,007 households. Of these households, 6,973 contained a vulnerable family member: a disabled adult, an adult aged 60 or older, or a child under 5.

For the FFY 2026, the current appropriation is \$7.7 million. Without further funding, eligible households will have a lower benefit than in the past, despite facing up to a 30% increase in utility costs. Establishing and funding this proposed program would provide a vital, stable resource for H-HEAP to better serve households, including our most vulnerable families, facing rising energy costs.

Thank you for the opportunity to provide comments on this measure.

JOSH GREEN, M.D.
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Testimony of the Public Utilities Commission

To the
House Committee on
Energy & Environmental Protection
and
Human Services & Homelessness

Tuesday, February 10, 2026
9:00 a.m.

Chairs Lowen and Marten, Vice Chairs Perruso and Olds, and Members of the Committees:

Measure: H.B. No. 2284
Title: RELATING TO ENERGY ASSISTANCE.

Position:

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

Comments:

The Commission supports the intent of this measure to assist households in paying their energy bills by creating a Hawaii home energy assistance program. This aligns with our core mission of ensuring safe, reliable, and affordable utility services for Hawaii residents. Importantly, this measure addresses a critical and growing energy affordability crisis in Hawaii.

Considerations for affordability and equity in energy policy are actively being explored by the Commission through several current dockets and initiatives. In December 2022, the Commission opened Docket No. 2022-0250 on "Energy Equity and Justice" to examine achieving equity in both social and economic participation in the energy system. Amid this broader equity investigation, the Commission identified a need to explore the equity implications of utility disconnections due to nonpayment, which disproportionately affect low-income households. The Commission subsequently opened Docket No. 2025-0284 in June 2025 to examine current electric utility disconnections and consider whether disconnection policy revisions are appropriate. Similarly, in response to 2022 legislative resolutions S.C.R. 242, S.D. 1, S.R. 133, S.D. 1, and H.R. 43, H.D. 1, the Commission

and the Consumer Advocate established a Working Group in September 2022 focused on creating a Hawaii home energy assistance program¹ which is aligned closely with the intent of H.B. 2284.

Hawaii households face significant energy burden. In 2024, over 20 percent of households in Hawaii reported foregoing critical expenses such as food or medicine to pay their energy bill in full.² Hawaii ranked 5th in the nation for highest average household electricity burden, and on top of that – households living below the Federal Poverty Level spent approximately 20 percent of their income on electricity costs, over nine times higher than the State average.³ Relatedly, disconnections rates more than doubled from approximately 5,900 in 2018 to roughly 12,800 in 2023.⁴

The current federal program for Low Income Home Energy Assistance (“LIHEAP”) remains woefully inadequate for Hawaii’s needs. Despite having the nation’s highest household electricity costs (about 63 percent more than the national average),⁵ Hawaii receives the lowest LIHEAP funding nationwide.⁶ The program’s 1984 funding formula heavily favors states with high heating needs while ignoring electricity price differences and Hawaii’s unique challenges. The National Energy and Utility Affordability Coalition reports that Hawaii received just 0.14 percent of federal LIHEAP funds in fiscal year 2021-2022 – about half of the next-lowest state.⁷ Furthermore, an average of less than 11 percent of state income-eligible Hawaii households have received LIHEAP assistance over the past several years.⁸

The establishment of a Hawaii home energy assistance program is not just important - it is urgent. As more families face disconnection, the gap between federal assistance and actual need continues to widen. Without state-level intervention, more Hawaii families will face impossible choices between paying for electricity and other basic necessities.

Given these challenges and federal funding inadequacies, the Commission strongly supports establishing a Hawaii home energy assistance program as written in H.B. 2284. The measure will provide immediate relief to struggling Hawaii families, create a more equitable energy assistance framework, and reduce utility disconnections and their associated societal costs.

Thank you for the opportunity to testify on this important measure.

¹ State of Hawaii Public Utilities Commission, “Report to the 2023 Legislature” (Dec 2022).

² RMI, “Pathways to Disconnection Reform in Hawaii” (Aug 2024).

³ Hawaii Department of Business, Economic Development & Tourism (DBEDT), “Electricity Burdens on Hawaii Households: 2022 Update” (Jan 2025).

⁴ RMI, “Pathways to Disconnection Reform in Hawaii” (Aug 2024).

⁵ DBEDT, “Electricity Burdens on Hawaii Households: 2022 Update” (Jan 2025).

⁶ LIHEAP Clearing House, “FY24 releases and reallocation awards to states and territories.”

⁷ National Energy & Utility Affordability Coalition, “State Utility Assistance Program Options Prepared for Hawaii Working Group” (Nov 2022).

⁸ LIHEAP Performance Management: Data Warehouse <https://liheappm.acf.gov/datawarehouse/>



**Hawaiian
Electric**

**TESTIMONY BEFORE THE HOUSE COMMITTEES ON ENERGY &
ENVIRONMENTAL PROTECTION AND HUMAN SERVICES & HOMELESSNESS**

**HB 2284
Relating to Energy Assistance**

Tuesday, February 10, 2026
9:00 AM

State Capitol, Conference Room 325 & Videoconference

Dear Chair Lowen and Chair Marten, Vice Chair Perruso and Vice Chair Olds, and
Members of the Committees,

Hawaiian Electric is testifying in **support** of HB 2284, Relating to Energy
Assistance.

The purpose of this bill is to establish the Hawaii Home Energy Assistance Program (“HIHEAP”) within the Department of Human Services to extend funding for qualifying households in need of financial assistance for utility bills. The Hawaii Home Energy Assistance Program would complement the current Federal Low Income Home Energy Assistance Program, known as LIHEAP in providing critical fiscal aid for low- to moderate-income families. This bill cites Aloha United Way’s 2024 ALICE (Asset Limited, Income Constrained, Employed) Report, which notes 40% of Hawai’i households live below the ALICE threshold and struggle to pay their bills, and primarily focuses on electric utility arrears and disconnections. The 2024 ALICE in the Crosscurrents Report shares a 2022 Household Survival Budget¹ that lists “Housing – Utilities” as \$310 out of \$8,983 per month for a family of four, or 3.5% of the total sample monthly budget. Comparatively, food, rent and childcare for a family of four may

¹ [ALICE in the Crosscurrents: An Update on Financial Hardship in Hawai’i](#)

cost \$1,757 (19.6%), \$1,716 (19.1%), and \$1,690 (18.8%), respectively per month.

While electric bills can add up every month, they are a small percentage of annual income compared to other essentials like housing, food, childcare, transportation, and healthcare. Hawaiian Electric's electricity rates are at their lowest level in three years and among the most stable in the United States. With current rates down 15% since the start of the Russia/Ukraine War in Q3 2022, Hawai'i's average residential bill is down 3% whereas the average U.S. residential bill is up 6%. When all forms of energy spending are accounted for including electricity, gas, and other fuels, Hawai'i ranks 35th in the U.S. for household energy burden at 2.3% with the national average boasting the same percentage according to the Department of Business, Economic Development & Tourism's ("DBEDT") 2025 Electricity Burdens on Hawai'i Households: 2022 Update report². Due to ongoing collections efforts and improved customer payments, Hawaiian Electric's older past due balance arrears for O'ahu and Hawai'i customers have reached pre-pandemic levels. In comparison, the continuing moratorium on disconnections for Maui customers has led to a steep increase in long-term arrears balances greater than 90 days, which will be difficult for customers to pay once the moratorium ends.

Hawaiian Electric supports this bill as it would establish and appropriate funds to our most vulnerable community members in the form of financial assistance and energy efficient efforts. The benefits of such a program extend far beyond immediate financial relief. By providing financial assistance, we can significantly improve the quality of life for low-income families, enabling them to allocate their limited resources toward other essential needs as mentioned in the sample ALICE survival budget in the report referenced above. Moreover, this program will contribute to the overall economic

² [Electricity Burdens on Hawai'i Households Jan 2025.pdf](#)

stability of our communities. When residents can manage their energy costs effectively, it reduces the likelihood of arrears and debt accumulation, fostering a more resilient and financially healthy community.

The bill notes that the Public Utilities Commission Public Benefits Fee administrator may offer information and assistance to encourage more energy efficient homes, which would also positively impact energy usage and costs. Hawaiian Electric supports funding for HIHEAP chartered by general revenues of the State of Hawai'i instead of seeking additional fees or moneys from ratepayers, which could further increase customers' financial burdens.

Accordingly, Hawaiian Electric **supports** HB 2284. Thank you for this opportunity to testify.



Testimony Before the House Committees on Energy & Environmental Protection
and Human Services & Homelessness

By Scott Sato
Government Affairs & Energy Services Manager
Kaua'i Island Utility Cooperative
4463 Pahe'e Street, Suite 1, Lihu'e, Hawai'i, 96766-2000

Tuesday, February 10, 2026; 9:00 am
Conference Room #325 & Videoconference

House Bill No. 2284 – RELATING TO ENERGY ASSISTANCE

To the Honorable Chairs Nicole E. Lowen and Lisa Marten, Vice Chairs Amy A. Perruso and Ikaika Olds, and Members of the Committees:

Kaua'i Island Utility Cooperative (KIUC) is a not-for-profit utility providing electrical service to more than 34,000 commercial and residential members.

KIUC supports this measure.

KIUC is committed to providing safe, reliable, clean electricity to its customers at the lowest possible rates. Since becoming an electric cooperative 23 years ago, KIUC's rates have gone from being the highest in the state – roughly 70% higher than rates on O'ahu – to often being the lowest rates in the state since 2022. KIUC has achieved this remarkable turnaround using a variety of strategies including cost control measures (e.g., reduced staffing levels), debt restructuring, and replacing oil-fired generation with lower-cost renewables at fixed prices.

KIUC recognizes that some of its customers struggle to make ends meet, and that electricity bills contribute to the relatively high cost of living that has been prevalent in the State of Hawai'i for decades. KIUC offers numerous financial assistance programs, such as the federally-funded H-HEAP program, to members who meet qualification requirements. H-HEAP subsidizes income-qualified members' utility payments by a total of \$300,000-\$400,000 per year. In addition, the KIUC Charitable Foundation, a separate, not-for-profit entity, provides assistance to members in financial need through grant funds administered by Kaua'i Economic Opportunity and Catholic Charities of Hawai'i. KIUC will also conduct home energy audits to assist members in reducing their energy use, which results directly in bill savings.

We support the establishment of the Hawai'i Home Energy Assistance Program in order to expand the assistance options available to utility customers in financial need throughout the state.

Thank you for your consideration.