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## Testimony of the Department of Commerce and Consumer Affairs

Before the  
House Committee on Energy & Environmental Protection  
Tuesday, March 24, 2026  
9:00 a.m.  
Via Videoconference

On the following measure:  
**H.C.R. 204 / H.R. 194, REQUESTING THE PUBLIC UTILITIES COMMISSION TO  
CONDUCT A COMPREHENSIVE ANALYSIS ON THE BEST PATHS TO  
MAXIMIZE COST REDUCTION AND MINIMIZE FINANCIAL RISK TO HAWAII  
RESIDENTS WHILE MEETING STATE GOALS**

Chair Lowen, 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 offers comments on this resolution.

The purpose of this resolution is to request the Public Utilities Commission (Commission) to conduct an objective, independent analysis and evaluation on the best paths to maximize cost reduction and minimize financial risk to Hawaii residents for energy while meeting the State's established goals. The resolution requests that the Commission contract and engage with experts, as may be appropriate, to develop two separate independent and objective analyses to ensure that the paths are thoroughly evaluated, and also identifies specific criteria for the analyses being requested. In addition, the resolution requests that the Commission submit a preliminary report of its

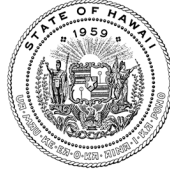
findings and recommendations, including any proposed legislation, no later than 30 days before the convening of the 2027 Legislative Session, and a final report of its findings and recommendations, including any proposed legislation, no later than 30 days before the 2028 Legislative Session.

The Department recognizes that the State may be at a pivotal juncture as it strives to meet its established energy goals. Accordingly, the Department understands the need for an objective, independent analysis and evaluation on the best paths to maximize cost reduction and minimize financial risk for residents for energy while meeting the State's established goals. However, the Department notes that the Commission also has many competing priorities and it is not clear if the Commission has the necessary funds or resources available to conduct and coordinate the comprehensive analysis requested in the resolution. The Department further notes that their resources may be even more strained with the request for two separate analyses to ensure that the energy paths are thoroughly evaluated to provide a high level of confidence in the work conducted. The Department recommends ensuring that the Commission has sufficient resources available to undertake this additional work taking into consideration the amount of existing work currently before the Commission.

Thank you for the opportunity to testify on this resolution.

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## Testimony of the Public Utilities Commission

To the  
House Committee on  
Energy and Environmental Protection

Tuesday, March 24, 2026  
9:00 a.m.

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

**Measure:** H.C.R. 204 / H.R. 194  
**Title:** REQUESTING THE PUBLIC UTILITIES COMMISSION TO CONDUCT A COMPREHENSIVE ANALYSIS ON THE BEST PATHS TO MAXIMIZE COST REDUCTION AND MINIMIZE FINANCIAL RISK TO HAWAII RESIDENTS WHILE MEETING STATE GOALS.

### Position:

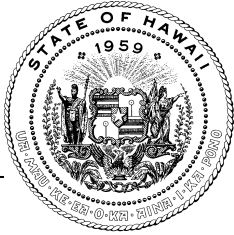
The Public Utilities Commission ("Commission") offers the following comments for consideration.

### Comments:

The Commission supports the intent of this measure requesting the Commission to conduct an objective, independent analysis and evaluation on the best paths to maximize cost reduction and minimize financial risk to Hawaii residents, while meeting the State's established energy goals.

The Commission recognizes that this measure also requests that the comprehensive energy pathway evaluation includes two separate independent and objective analyses, and that the Commission contract and engage with experts as appropriate to develop the evaluation. The Commission understands that preliminary and final report of findings and recommendations are to be submitted to the 2027 and 2028 Legislatures, respectively. The Commission stands ready to participate and support this evaluation effort.

Thank you for the opportunity to testify on this resolution.



# HAWAII STATE ENERGY OFFICE STATE OF HAWAII

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Testimony of  
**MARK B. GLICK, Chief Energy Officer**

before the  
**HOUSE COMMITTEE ON ENERGY AND ENVIRONMENTAL PROTECTION**

Tuesday, March 24, 2026

9:00 AM

State Capitol, Conference Room 325 and Videoconference

Providing Comments on

**HCR 204**

**REQUESTING THE PUBLIC UTILITIES COMMISSION TO CONDUCT A  
COMPREHENSIVE ANALYSIS ON THE BEST PATHS TO MAXIMIZE COST  
REDUCTION AND MINIMIZE FINANCIAL RISK TO HAWAII RESIDENTS WHILE  
MEETING STATE GOALS.**

Chair Lowen, Vice Chair Perruso, and Members of the Committee, the Hawai'i State Energy Office (HSEO) offers comments on House Concurrent Resolution No. 204, Requesting the Public Utilities Commission to Conduct a Comprehensive Analysis on the Best Paths to Maximize Cost Reduction and Minimize Financial Risk to Hawai'i Residents While Meeting State Goals.

HSEO fully supports analysis on the best paths to maximize cost reduction and minimize financial risk to Hawaii residents while meeting state goals. With those objectives in mind, HSEO's comments address misleading information in the preamble on which this measure is based.

HSEO and its lead contractor, HDR, overseeing the Alternative Fuels, Repowering, and Energy Transition Study ("Study"), confirm an unintentional syntax error in the "Calculator" tab of the LCCA spreadsheet. This impacted one scenario of the Study. After an exhaustive review, HDR discovered no other syntax errors in the key alternatives, confirming that the results and findings of all other alternatives and scenarios are valid. The preamble, in HSEO's opinion, inappropriately gives the

impression that the findings of the Study are questionable. Given the positive net present value of key alternative 1A, HSEO notes that the correction identified by Dr. Fripp to 3A will have no material impact on the published Conclusions and Next Steps of the Study.

The preamble of HCR 204 also complains that HSEO “limited the Study to considering replacing existing fuels for power generation with new fuels and did not make a meaningful comparison to or evaluate replacing existing fuels with cheaper renewable options, potentially missing billions of dollars of savings for consumers as a result of innovative technology such as moving beyond Hawai'i's typical four-hour energy storage to a newer one hundred hour or greater energy storage that would enable additional cheaper renewable energy capacity, a strategy already proving successful elsewhere.”

However, the preamble failed to note:

- The lead paragraph of the Study's Conclusion and Next Steps on page 77 stated, “HSEO was tasked with creating an energy portfolio that meets the State's RPS and decarbonization statutory targets, enhances grid stability, and rebuilds aging power plant infrastructure while minimizing the impact on ratepayers. This study is part of a broader effort to develop an energy transition strategy to support national security, safeguard energy infrastructure, increase energy affordability, and accelerate renewable adoption.”
- The Study evaluated twelve renewable options to provide firm power to support intermittent renewable penetration with consideration of commercial viability, cost-effectiveness, and lifecycle carbon intensity. HSEO strictly observed RPS targets consistent with Hawaiian Electric's Integrated Grid Plan. Scenarios that increased solar penetration based on commercially unavailable, unaffordable long-duration storage were not considered.
- The Study was released concurrently with Executive Order 25-01, which calls for 50,000 additional rooftop solar additions in the next five years and accelerates the timetable for reaching a 100% RPS for all islands except O'ahu by 2035, 10 years faster than Act 93 (2015), among other aggressive actions proposed.

Additionally, the preamble states that “the cost of renewable technologies continues to dramatically fall.” While HSEO strongly supports the accelerated deployment of solar and storage, as these remain among the most cost-effective resources available, recent market data does not support the assumption of continued rapid price declines. Cost reductions have slowed, and in some cases reversed, due to supply chain constraints and higher financing costs. This is reflected in recent O'ahu power purchase agreements priced at approximately \$0.215–\$0.23/kWh,

significantly higher than the \$0.09–\$0.14/kWh achieved in the Stage 1 and 2 procurements.

Finally, HSEO notes this work is similar to the work prescribed in HCR 202 / HR 192. To minimize administrative burden, HSEO recommends consolidating the work prescribed in these resolutions.

HSEO defers to the PUC on any independent choices of which analysis it chooses to internally pursue in this regard.

Thank you for the opportunity to testify.

**HCR-204**

Submitted on: 3/21/2026 9:02:36 AM

Testimony for EEP on 3/24/2026 9:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Johnnie-Mae L. Perry	Individual	Comments	Written Testimony Only

Comments:

I, Johnnie-Mae L. Perry, COMMENT

NO LNG IN THE STATE OF HAWAII

194 HR REQUESTING THE PUBLIC UTILITIES COMMISSION TO CONDUCT A COMPREHENSIVE ANALYSIS ON THE BEST PATHS TO MAXIMIZE COST REDUCTION AND MINIMIZE FINANCIAL RISK TO HAWAII RESIDENTS WHILE MEETING STATE GOALS.