

# HAWAII STATE ENERGY OFFICE STATE OF HAWAII

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

before the  
**SENATE COMMITTEE ON COMMERCE AND CONSUMER PROTECTION**

Wednesday, March 25, 2026  
10:01 AM  
State Capitol, Conference Room 229 and Videoconference

Providing Comments on  
**SR 157**

**REQUESTING THE PUBLIC UTILITIES COMMISSION TO ENSURE THAT CERTAIN  
CONDITIONS ARE MET BEFORE APPROVING ANY INFRASTRUCTURE,  
OPERATIONS, MAINTENANCE, FUEL, OR OTHER COSTS RELATING TO  
SUPPLYING AND USING LIQUEFIED NATURAL GAS.**

Chair Keohokalole, Vice Chair Fukunaga, and Members of the Committee, the Hawai'i State Energy Office (HSEO) offers comments on SR 157 that requests the Public Utilities Commission (PUC) to ensure that certain conditions are met before approving any infrastructure, operations, maintenance, fuel, or other costs relating to supplying and using liquefied natural gas.

HSEO fully supports the intent of this measure to ensure that any liquefied natural gas (LNG)-related decisions are made prudently and in alignment with Hawai'i's long-term energy and climate goals. Further, HSEO agrees that decisions regarding LNG must be supported by transparent, verifiable, and comprehensive analysis, including cost and ratepayer impacts, lifecycle greenhouse gas emissions, and system-level effects on renewable energy deployment.

While the measure is focused on LNG, HSEO notes that the understandable underlying concerns—ratepayer risk, stranded asset potential, fuel price volatility, and misalignment with long-term decarbonization goals—apply broadly to all new fossil fuel infrastructure and supply arrangements. Accordingly, HSEO recommends that the

framework established in this measure be applied consistently to any new fossil fuel project or fuel supply contract considered by the PUC, regardless of fuel type. This will ensure a technology-neutral, policy-consistent approach aligned with Hawai'i's statutory climate and energy objectives.

HSEO also offers comments on the provisions relating to fuel supply agreements. While the measure is purported to limit long-term risk exposure, a complete prohibition on volumetric or take-or-pay commitments (Item 2, page 2, lines 14-18) provisions may have unintended consequences. In practice, utilities and other fuel buyers may prefer some degree of volumetric certainty as a means to ensure favorable fuel pricing and contract terms. Without a binding commitment for highly predictable fuel quantities, suppliers may be unable or unwilling to offer lower-cost arrangements, and thus buyers may not be able to gain the best value for their customers, potentially increasing costs to ratepayers.

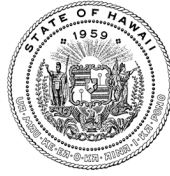
The PUC has authority and responsibility under statutes in place, such as HRS §269-16, to allow the public utility to mitigate the risk of sudden or frequent fuel cost changes that cannot otherwise reasonably be mitigated through other commercially available means, such as fuel hedging contracts. This also infers that the PUC has an expectation that the utility, through commercially available means, will ensure any volumetric commitments are appropriately sized to reflect realistic system needs, maintain flexibility to decline over time in alignment with renewable energy deployment, and avoid overcommitment that could constrain renewable integration or result in excess fuel purchases.

As the statutory regulatory authority in Hawai'i to evaluate and balance these considerations relative to utilities, HSEO defers to the PUC to determine how best, under its authority, to ensure that any approved fuel supply arrangements appropriately mitigate risk while preserving cost-effectiveness and alignment with the State's long-term energy and climate objectives.

Thank you for the opportunity to testify

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## Testimony of the Public Utilities Commission

To the  
Senate Committee on  
Commerce & Consumer Protection

Wednesday, March 25, 2026  
10:01 a.m.

Chair Keohokalole, Vice Chair Fukunaga, and Members of the Committee:

**Measure:** S.C.R. 166 / S.R. 157

**Title:** REQUESTING THE PUBLIC UTILITIES COMMISSION TO ENSURE THAT CERTAIN CONDITIONS ARE MET BEFORE APPROVING ANY INFRASTRUCTURE, OPERATIONS, MAINTENANCE, FUEL, OR OTHER COSTS RELATING TO SUPPLYING AND USING LIQUEFIED NATURAL GAS.

### Position:

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

### Comments:

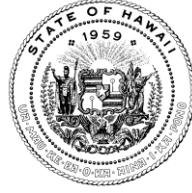
The Commission appreciates the intent of this measure to ensure that specific conditions are met before approving any infrastructure, operations, maintenance, fuel, or other costs relating to supplying and using liquefied natural gas. As the Committee contemplates the advancement of this measure, the Commission offers the following comments.

The Commission is committed to Hawaii's clean energy goals, including the 100% Renewable Portfolio Standard, carbon neutrality by 2045, and the State's constitutional obligation to protect Hawaii's natural resources. In addition, the Commission has a statutory obligation and mission to ensure that electricity rates are just and reasonable and that the electric utility system remains reliable, safe, and adequate to serve its customers.

In reviewing any application for approval, including grid modernization, power purchase agreements, and fuel supply contracts, the Commission is continually considering and examining, among other factors, the impacts of these requests on the reliability, efficiency, resiliency, and affordability of the electric utility system. Detailed and thoughtful analyses of all utility procurement requests and alternatives are essential components to the Commission's decision-making process. The Commission believes that this process is consistent with the intent of the measure.

Given the current challenges in attracting and securing affordable renewable energy projects and Hawaii's isolated grids requiring readily dispatchable energy to maintain reliability during periods of variable renewable generation, it is prudent to consider all options in developing a pathway to Hawaii's clean energy future and to allow for reasonable discretion in procuring future generation and resources.

Thank you for the opportunity to testify on this measure.



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

**Before the  
Senate Committee on Commerce and Consumer Protection  
Wednesday, March 25, 2026  
10:01 a.m.  
Via Videoconference**

**On the following measure:  
S.C.R. 166 / S.R. 157, REQUESTING THE PUBLIC UTILITIES COMMISSION TO  
ENSURE THAT CERTAIN CONDITIONS ARE MET BEFORE APPROVING ANY  
INFRASTRUCTURE, OPERATIONS, MAINTENANCE, FUEL, OR OTHER COSTS  
RELATING TO SUPPLYING AND USING LIQUEFIED NATURAL GAS**

Chair Keohokalole 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 ensure certain specific conditions are met before approving any costs of infrastructure, operations, maintenance, fuel, or other costs relating to supplying and using liquefied natural gas (LNG). In addition, the resolution requests that the Commission deny any costs related to LNG if more cost-effective, non-fuel alternatives are available to a utility or if approving the power purchase or fuel supply agreement would commit a utility to purchasing a greater amount of LNG than necessary to accommodate the maximum amount of renewable energy on the grid. Furthermore, this

resolution also requests that the Commission consider the: (1) effects of approving the use of LNG on renewable energy development and deployment; and (2) risks and costs of stranded assets and the risks and costs of reliance on a single fuel supply or monopoly supplier when making determinations of the reasonableness of costs pertaining to electric or gas utility system capital improvements and operations.

The Department recognizes that Hawaii pays the highest average price for electricity usage in the United States, and believes that it is important to keep options available that may be able to help mitigate financial impacts on consumers of electricity, including the use of LNG. That being said, the Department understands the concerns that this resolution is trying to address and recognizes the concerns being noted regarding the review and evaluation of any application involving the supply and use of LNG in the State. As with any application before the Commission, for which the Department's Division of Consumer Advocacy (Division) is a party, the Division thoroughly evaluates various applicable factors including the State's existing energy goals and policies in providing the Commission the Division's position. This generally includes, but is not limited to, evaluating whether a utility proposal would enable services to be provided more safely, reliably and resilient, affordably, and meet the State's clean energy mandates and targets. The Department assures the Committee that the Division will conduct a comprehensive and thorough review of any application and provide its position with appropriate recommendations for the Commission's review and consideration.

Thank you for the opportunity to testify on this resolution.



MARCH 25, 2026

## SCR 166/SR 157

CURRENT REFERRAL: CPN

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David Negaard,  
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*Director*

Beatrice DeRego,  
*Director*

Corey Rosenlee,  
*Director*

Amy Zhao,  
*Policy and Partnerships  
Strategist*

### POSITION: SUPPORT

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Imua Alliance supports SCR 166/SR 157, requesting the public utilities commission to ensure that certain conditions are met before approving any infrastructure, operations, maintenance, fuel, or other costs relating to supplying and using liquefied natural gas.

Imua Alliance is a Hawai'i-based organization dedicated to ending sexual exploitation and gender violence, both of which are worsened by the climate crisis. This resolution helps to ensure that Hawai'i's energy future is guided by accurate data and transparent planning that aligns with the state's clean energy and climate goals.

In recent weeks, Mattias Fripp, director of global research at Energy Innovation Policy and Technology LLC and a former associate professor of electrical engineering at the UH-Mānoa, **found errors in the Hawai'i State Energy Office's modeling that may have overstated LNG savings by approximately \$1.2 billion.** When corrected, the analysis suggested LNG could increase costs to consumers, rather than reduce them. These findings underscore the importance of independent review, transparency, and careful evaluation before Hawai'i commits to major long-term fossil fuel infrastructure investments, like those proposed by JERA Co. Inc to build a liquefied natural gas-fueled power plant on O'ahu.

Beyond cost concerns, LNG also presents significant climate risks. While natural gas is sometimes described as a "bridge fuel," **lifecycle analyses show that LNG can have substantial greenhouse gas emissions due to methane leakage during extraction, processing, liquefaction, shipping, and regasification.** Methane is a highly potent greenhouse gas, with more than 80 times the warming impact of carbon dioxide over a 20-year period, meaning even small leaks can significantly increase the climate impact of natural gas systems.

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In addition, LNG infrastructure investments can lock states into fossil fuel dependence for decades. LNG import terminals, pipelines, and power plant conversions require long-term capital investments that typically operate for 20–40 years. Building this infrastructure risks creating stranded assets and delaying the transition to renewable energy, battery storage, and grid modernization, technologies that Hawai'i must deploy to meet its statutory goal of 100% renewable energy by 2045.

Hawai'i is uniquely positioned to lead in renewable energy due to its abundant solar, wind, geothermal, and storage potential. Investing in clean energy infrastructure keeps energy dollars in the local economy, improves energy security, reduces exposure to global fuel price volatility, and helps the state meet its climate commitments.

Energy decisions made today will affect our economy and environment for generations. Because of the scale of these decisions, it is essential that energy policy be based on accurate modeling and transparent discussions with the community. Bad data and backroom deals have no place in shaping the climate and energy agendas for our island home.

With aloha,

*Kris Coffield*

President, Imua Alliance

JERA Americas Inc.  
1000 Main Street, Suite 3100  
Houston, TX 77002

**LATE**

Jera  
AMERICAS

Testimony of  
ERIK MONTAGUE, JERA AMERICAS

before the  
SENATE COMMITTEE ON COMMERCE AND CONSUMER PROTECTION  
Wednesday, March 25, 2026 10:01 AM  
State Capitol, Conference Room 229 and Videoconference

In Opposition to  
SENATE CONCURRENT RESOLUTION (SCR) 207 and HOUSE RESOLUTION (HR) 157  
REQUESTING THE PUBLIC UTILITIES COMMISSION TO ENSURE THAT CERTAIN CONDITIONS ARE MET BEFORE  
APPROVING ANY INFRASTRUCTURE, OPERATIONS, MAINTENANCE, FUEL, OR OTHER COSTS RELATING TO  
SUPPLYING AND USING LIQUEFIED NATURAL GAS

Chair Keohokalole, Vice Chair Fukunaga, and Members of the Committee:

JERA Americas respectfully submits testimony in opposition to SCR207 and SR157, which would place prescriptive conditions on the Public Utilities Commission (PUC) before approving any costs related to the importation and storage of liquefied natural gas (LNG).

Substantively, these conditions would unnecessarily constrain the PUC's authority and discretion. Procedurally, it is handcuffing the PUC in ways that are not reflected in its governing statutes and removes the balance and waters down the multi-faceted evaluation that the PUC must conduct before granting its approval.

LNG is a proven transitional fuel option that has been demonstrated globally to reduce both costs and carbon emissions relative to oil-fired generation, while enabling greater renewable integration. As such, LNG can support Hawai'i's long-term decarbonization goals while maintaining reliability.

As one of the world's leading energy companies with significant experience in LNG, renewable energy, and large-scale decarbonization technologies, JERA is committed to supporting Hawai'i's transition to a cleaner, more resilient, and affordable energy future. Hawai'i stands apart from other U.S. states in its continued reliance on low sulfur fuel oil (LSFO) and diesel for electricity generation. This dependence contributes to some of the highest electricity costs in the United States and remains a major source of carbon emissions. LNG offers immediate and meaningful reductions in both cost and emissions compared to oil-based fuels, while providing the reliability that Hawai'i's grid requires.

Additionally, alongside renewables such as solar, wind, and battery storage, JERA is investing in emerging clean fuel technologies—including hydrogen blending, zero-emissions ammonia, and next-generation biofuels. As these cleaner fuels mature and become commercially viable, pairing them with modern power plants and gas storage and distribution infrastructure, which are capable of utilizing hydrogen, biofuels, synthetic natural gas, in addition to today's oil and natural gas, can serve as the foundation for deeper decarbonization by transitioning beyond LNG to the right fuel choice for the state.

Finally, advances in LNG technology have significantly reduced both the cost and permanence of storage and regasification infrastructure. Of the roughly \$2 billion required to modernize the State's power plants and develop natural-gas infrastructure, only about 10% would be at risk of becoming stranded if the future fuel of choice is not a gas-based solution. Importantly, anticipated cost savings from LNG over the next 10-15 years will be many times greater than any potentially underutilized infrastructure.

Much of Hawai'i's existing oil-fired generation fleet is aging, inefficient, and in urgent need of costly upgrades. Investment will be necessary regardless of future fuel choice. Passing these resolutions could result in the elimination of LNG as a viable replacement option, forcing continued reliance on imported oil at significantly higher cost and greater carbon intensity.

These resolutions would unnecessarily constrain the PUC's review of any potential private financial investment by JERA. While these conditions are aimed at LNG, JERA's potential \$2 billion investment is much more comprehensive and significant, including new generation facilities. With the risk of only 10% of that investment being stranded if the state moves in a non-gas-based solutions, and with the overall investment for LNG infrastructure at around 25% of the total investment, and 75% being towards generation facilities, passing these resolutions unreasonably handcuff's the PUC's discretion to comprehensively look at the entire package.

Removing LNG from consideration eliminates a cost-effective transitional option at a moment when the State requires greater flexibility, not less, to achieve its affordability and clean energy goals.

Thank you for the opportunity to testify.

Respectfully submitted,

Erik Montague  
Vice President  
Erik.montague@jeraamericas.com

**SR-157**

Submitted on: 3/21/2026 11:45:56 AM

Testimony for CPN on 3/25/2026 10:01:00 AM

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

Comments:

I, Johnnie-Mae L. Perry, STRONGLY OPPOSE LNG

IRAN WAR IS COSTING TAXPAYERS 1BILLION \$ A DAY. HOW WILL FEDERAL FUNDING IMPACT THE SOH BUDGET?

157 SR REQUESTING THE PUBLIC UTILITIES COMMISSION TO ENSURE THAT CERTAIN CONDITIONS ARE MET BEFORE APPROVING ANY INFRASTRUCTURE, OPERATIONS, MAINTENANCE, FUEL, OR OTHER COSTS RELATING TO SUPPLYING AND USING LIQUEFIED NATURAL GAS.



**LATE**

SENATOR JARRETT KEOHOKALOLE, CHAIR  
SENATOR CAROL FUKUNAGA, VICE CHAIR  
SENATE COMMITTEE ON COMMERCE AND CONSUMER PROTECTION

TESTIMONY PROVIDING COMMENT ON SENATE RESOLUTION 157/SENATE  
CONCURRENT RESOLUTION 166

Wednesday, March 25, 2026, 10:01 a.m.  
Conference Room 229, State Capitol  
415 South Beretania Street, Honolulu, Hawai'i

Dear Chair Keohokalole, Vice Chair Fukunaga, and Committee Members:

Earthjustice **provides comment on Senate Resolution 157**, requesting the Public Utilities Commission (“PUC”) to ensure that certain conditions are met before approving costs relating to supplying and using liquefied natural gas (“LNG”). Requiring these baseline conditions would be eminently reasonable to ensure that Hawai'i consumers do not end up bearing the burdens and risks for such a project. Indeed, any opposition to such conditions by potential project developers or their supporters should raise major red flags and call into question the credibility of their claims that LNG will save costs.

More fundamentally, however, Hawai'i should not be wasting precious time and money pursuing LNG in the first place. Governor Ige had it right when he rejected LNG more than a decade ago, explaining that “any time and money spent on LNG is time and money not spent on renewable energy.” Now that there is a decade less time for any major LNG investment to pay back before the state's mandated climate and clean energy deadlines, LNG makes even less sense than before.

The Green administration, led by its State Energy Office, touts the false promise of LNG as a “cost-effective,” “transitional” fuel and “bridge” to renewable energy. On the contrary, the LNG supply infrastructure would cost well over a billion dollars and would be destined for cost overruns and delays over any initial optimistic projections—which were already shown to be fatally flawed at the recent informational briefing held by the House Committee on Energy and Environmental Protection.

The LNG diversion will further entrench our fossil fuel dependency in the islands and raise the costs of living for local families and businesses for generations. The risks of LNG also include explosions and fires, which not only endanger the safety of our 'āina and people but also impose their own heavy financial costs. All of this would exacerbate the already burdensome energy costs on Hawai'i ratepayers.

As stated, this resolution comes days after the discovery of the Hawai'i State Energy Office's billion-dollar math error in the study it relied on to promote LNG. Independent experts found that, rather than providing ratepayer savings, LNG would increase energy costs by hundreds of millions of dollars. While this resolution is fair to urge the PUC to take caution before approving any LNG projects, it avoids the obvious conclusion that LNG is a needless and detrimental waste of time. The only way to avoid such a wasteful dead-end quest to profit off of more fossil fuels is to instead refocus that time and effort into accelerating Hawai'i's progress on real climate and clean energy solutions that provide true savings.

Mahalo for the opportunity to testify. Please do not hesitate to contact us with any questions or for further information.

Harley Broyles, Esq.  
Associate Attorney  
Earthjustice, Mid-Pacific Office