

HAWAII STATE ENERGY OFFICE STATE OF HAWAII

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Testimony of SCOTT J. GLENN, Chief Energy Officer

before the HOUSE COMMITTEE ON ENERGY & ENVIRONMENTAL PROTECTION

Thursday, March 17, 2022 9:00 AM State Capitol, Conference Room 325 & Videoconference

SUPPORT SB 3057, SD2 RELATING TO RENEWABLE PORTFOLIO STANDARDS.

Chair Lowen, Vice Chair Marten, and Members of the Committee, the Hawai'i State Energy Office (HSEO) supports and recommends amendments to SB 3057, SD2, an Administration measure, which amends the definition of renewable portfolio standard to be a percentage of electrical energy generation, rather than sales, and requires electric utility companies to track and annually report data and trends on customer retention and attrition to further inform the calculation of renewable portfolio standards.

The companion to this bill, HB 2089, was heard and amended by this Committee in February. As described previously, it has been generally understood for several years that the calculation of Hawai'i's renewable portfolio standard should and must change to be consistent with public understanding, Hawai'i's policies (including the enactment in 2018 of Hawai'i's carbon net negative goal), and increasing concerns over continued reliance on imported fossil fuels; making this change now, just after completing the 2020 milestone and several years in advance of the 2030 milestone, gives a greater degree of clarity and certainty to Hawai'i's electric utilities, as well as to the public, regarding Hawai'i's "100% renewable" objective. Without this change, it would be possible to reach the "100 per cent renewable portfolio standard" with only 79 per cent of Hawai'i's electricity produced from renewable sources and the other 21 per

¹ Section 225P-5, Hawai'i Revised Statutes.

cent still generated from fossil fuel; and, finally, that the more intuitively correct approach to the RPS calculation established by this bill, together with numerous policies, incentives, requirements, and other constraints, will accelerate the reduction in the use of fossil fuels to generate electricity in Hawai'i.

HSEO prefers the language contained in HB2089 HD2. HSEO also recommends deleting the language in SB 3057, SD2, on page 9, lines 6-13, as the requirement may be unnecessarily complicated and constraining, may divert time and attention from other efforts, and introduces an undefined term, "independent producer."

The electric utility company shall make every reasonable effort to ensure that independent producers connected to the grid are converting to renewable resources by July 1, 2027, including but not limited to providing not more than five-year contracts for the producers to connect to the grid; provided that, if a producer cannot or will not convert to renewable resources, the electric utility company shall not renew its contract with the producer.

HSEO thanks the Committee for hearing this bill and respectfully requests your approval of it, with the recommended changes.

Thank you for the opportunity to testify.