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Testimony of
MARK B. GLICK, Chief Energy Officer

before the
**SENATE COMMITTEE ON
PUBLIC SAFETY AND INTERGOVERNMENTAL AND MILITARY AFFAIRS**

Friday, February 9, 2024
3:01 PM
State Capitol, Conference Room 225 and Videoconference

In Support of
SB 3096

RELATING TO WILDFIRE RISK MITIGATION.

Chair Wakai, Vice Chair Elefante, and Members of the Committee, the Hawai'i State Energy Office (HSEO) supports SB 3096 that creates a process for electric utilities to develop and submit wildfire protection plans to the Public Utilities Commission for approval and allow the recovery of related costs and expenses through securitization, while avoiding a disproportionate impact on a specific ratepayer or county.

This measure appropriately presents an essential set of wildfire mitigation and prevention policies and plans along with a securitization model that is proven to be a highly effective and efficient way to finance investments to make such improvements. With the oversight of the Public Utilities Commission, rate reduction bonds, similar to those used in the Green Energy Market Securitization (GEMS) program, would be authorized only when the Commission had ensured the financing order was aligned with an effective process for wildfire plan protection and mitigation. The approach presented in SB 3096 should result in greater protections to the public and critical energy infrastructure while having minimal impact on utility customers' electricity bills.

The need for this measure is urgent. HSEO conducted a comprehensive energy system risk assessment for Oahu on the interdependencies within the energy sector supply chain and the interdependencies of the energy sector with FEMA Community Lifeline services that are essential to the response and recovery from all hazard events. The results were clear: wildfire is one of the top two most significant threats to our critical energy infrastructure and the emergency response sectors that depend on it. At the same time, power infrastructure in red flag conditions can also be the cause of wildfire. This is why proactive action is imperative. To strengthen the state's defenses against wildfire, developing robust wildfire protection plans statewide is critical.

SB 3096 is a measured, proactive, and preferred legislative proposal by the Green Administration to better safeguard our communities, reduce the likelihood of another Maui-like catastrophe, and ensure a reliable and resilient energy future.

Thank you for the opportunity to testify.