



HAWAII STATE ENERGY OFFICE STATE OF HAWAII

235 South Beretania Street, 5th Floor, Honolulu, Hawaii 96813
Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804

Telephone:
Web:

JOSH GREEN, M.D.
GOVERNOR
SYLVIA LUKE
LT. GOVERNOR
MARK B. GLICK
CHIEF ENERGY OFFICER
(808) 451-6648
energy.hawaii.gov

Testimony of
MARK B. GLICK, Chief Energy Officer

before the
**HOUSE COMMITTEES ON WATER & LAND
AND
ENERGY & ENVIRONMENTAL PROTECTION**

Thursday, March 14, 2024
8:32 AM
State Capitol, Conference Room 325 and Videoconference

Providing Comments on
SB 2922, SD2

RELATING TO PUBLIC UTILITIES.

Chairs Ichiyama and Lowen, Vice Chairs Poepoe and Cochran, and members of the Committees, the Hawai'i State Energy Office (HSEO) offers comments on SB 2922, SD2, that would establish and implement the Catastrophic Wildfire Securitization Act, to allow public utilities to securitize rates in order to raise capital that can be used to pay for costs and expenses arising out of catastrophic wildfires.

HSEO appreciates the intent of the measure to use securitized recovery bonds to protect an electric utility from future potential financial impacts from catastrophic wildfires but has several concerns about this measure. While costs and expenses eligible for recovery are limited to prudently incurred costs that are consistent with a public utilities commission-approved plan to mitigate wildfire risk and impacts, there are no guidelines for what such a plan should entail nor are there limits or caps to the total amount of bonds that could be issued for such a purpose.

HSEO continues to prefer securitization with specified language on wildfire mitigation plans and cost recovery mechanisms for these activities as found in HB 2407, HD2.

Thank you for the opportunity to testify.