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Testimony of MARK B. GLICK, Chief Energy Officer

before the HOUSE COMMITTEE ON ENERGY AND ENVIRONMENTAL PROTECTION

Tuesday, February 4, 2025 9:00 AM State Capitol, Conference Room 325 and Videoconference

In Support of **HB 790**

RELATING TO RENEWABLE ENERGY

Chair Lowen, Vice Chair Perruso, and Members of the Committee, the Hawai'i State Energy Office (HSEO) supports HB 790, specifically the portion of section 2 that establishes an installation goal for customer-sited distributed energy resources (DER) in Hawai'i.

A recent Executive Order signed by Governor Green points to the importance of distributed energy resources as "a leading contributor to the state's sustainability and resiliency goals by providing critical power for homes and businesses." According to a 2022 article published by the U.S. Energy Information Administration, Hawai'i has the highest small-scale solar penetration per capita in the nation, 2 showing Hawai'i's leadership in renewable energy.

HSEO supports the portion of section 2 in this bill that establishes a goal of installing fifty thousand new instillations of customer-sited distributed energy resource systems in Hawai'i by 2030. This portion of the measure directly reflects the objective

¹ Executive Order No 25-01 signed January 27, 2024: https://governor.hawaii.gov/wp-content/uploads/2025/01/2501085 Executive-Order-No.-25-01.pdf.

² U.S. EIA, *Record U.S. small-scale solar capacity was added in 2022*, published September 11, 2023: https://www.eia.gov/todayinenergy/detail.php?id=60341#:~:text=Although%20California%20has%20the%20most,at%20541%20watts%20per%20capita.&text=A%20large%20share%20of%20Hawaii's,from%20oil%2Dfired%20power%20plants.

stated in the aforementioned Executive Order. Also, as stated in HSEO's Act 238 report regarding decarbonization, "DER remains a core pillar of the decarbonization effort, particularly assisting the electricity industry in achieving renewable energy goals."

HSEO is cognizant of the issues surrounding affordability, reliability, and resilience. With Hawai'i having electric bills that average three times the national average, the pursuit of additional solar can alleviate the issues in all three categories. The cost of electricity from renewable energy sources has declined over the years, and now renewable energy is often the lowest cost source as compared to conventional fossil fuels.⁴

HSEO recognizes that numerous efforts have been made to pursue successful implementation and grid integration of customer sited solar and battery energy storage systems through numerous programs in both Hawaiian Electric Company⁵ and Kaua'i Island Utility Cooperative⁶ service territories. Additional work is being done to reduce delays in permitting as well. These efforts, combined with the support of the Green administration and the Executive Order, make this bill a very well-timed endeavor.

HSEO defers to the Public Utilities Commission on the regulatory aspects of implementing this measure.

Thank you for the opportunity to testify.

³ Hawaii State Energy Office, Hawaii Pathways to Decarbonization Act 238 Report, page 90: https://energy.hawaii.gov/wp-content/uploads/2022/10/Act-238 HSEO Decarbonization FinalReport 2023.pdf

⁴ HSEO annual report 2023, page 15: https://energy.hawaii.gov/wp-content/uploads/2024/01/HSEO 2023 Annual Report.pdf

⁵ Hawaiian Electric Smart Renewable Energy Programs: <u>Smart Renewable Energy Programs | Hawaiian Electric</u>

⁶ Kauai Island Utility Cooperative: Rooftop Solar | Kauai Island Utility Cooperative